Turkish Commercial Code (Full Version)

General Principles

**A) Application area of ​​the law**

**1- Commercial provisions**

**ARTICLE 1**– (1) The Turkish Commercial Code is an integral part of the Turkish Civil Code dated 22/11/2001 and numbered 4721. Provisions in this Law and special provisions written in other laws regarding transactions and actions concerning a commercial enterprise are commercial provisions.

(2) The court, in commercial matters for which there is no commercial provision, shall decide according to the commercial customs and, if this is not the case, according to the general provisions.

**2 – Commercial customs and traditions**

**ARTICLE 2**-(1) Unless there is a contrary provision in the law, custom cannot be the basis for the judgment of the court unless it is determined that it is accepted as a commercial custom. However, conventions are also taken into account in the interpretation of declarations of will.

(2) Commercial customs specific to a region or a branch of commerce are favored over general ones. If the persons concerned are not in the same region, the commercial customs and traditions at the place of performance shall apply, unless otherwise stipulated in the law or the contract.

(3) Commercial customs and traditions are applied to those who do not have the title of merchant only if they are known or need to be known.

**3 – Commercial affairs**

**ARTICLE 3**-(1) All transactions and acts concerning a commercial enterprise with the matters regulated in this Law are commercial affairs.

**4 – Commercial cases, uncontested judicial works and evidence**

**1. In general**

**ARTICLE 4**-(1) Regardless of whether the parties are merchants or not, with civil litigation and uncontested litigation arising from matters related to the commercial enterprise of both parties;

a) In this Law,

b) In Articles 962 to 969 of the Turkish Civil Code, on those dealing with lending in return for pledge,

c) Turkish Code of Obligations dated 11/1/2011 and numbered 6098, 202 and 203 on the acquisition of assets or the business, merger and transformation of enterprises, 444 and 447 on the prohibition of competition, 487 and 501 on the publication contract, 515 on the letter of credit and loan order. to 519, 532 to 545 regarding the commission contract, 547 to 554 foreseen for commercial representatives, commercial proxies and other merchant assistants, 555 to 560 regarding remittance, 561 to 580 regulating custody contracts,

d) In the legislation on intellectual property law,

e) In special provisions regarding exchanges, exhibitions, fairs and markets, warehouses and other trade-specific places,

f) In the regulations regarding banks, other credit institutions, financial institutions and lending business, civil lawsuits and uncontested jurisdictions arising from the issues envisaged are considered commercial lawsuits and commercial lawsuits without contention. However, cases arising from remittance, deposit and intellectual and artistic works that do not concern any commercial enterprise are exempt from this.

(2)Evidence and its presentation in commercial cases are subject to the provisions of the Code of Civil Procedure dated 12/1/2011 and numbered 6100; In commercial cases, the amount or value of which does not exceed one million Turkish liras, the simple procedure is applied.

**2. Courts for commercial lawsuits and uncontested jurisdictions**

**ARTICLE 5**-(1) Unless otherwise provided, the commercial court of first instance is responsible for dealing with all commercial cases and uncontested commercial matters, regardless of the value or amount of the thing being sued.

(2) If there is a commercial court of first instance in a place, the cases that fall under the jurisdiction of the civil court of first instance and which are considered commercial in accordance with Article 4 and other matters to be dealt with in the commercial court in accordance with special provisions shall be dealt with in the commercial court of first instance. If there is more than one commercial court of first instance dealing with commercial cases in a place, where the business situation makes it necessary, one or more of the commercial courts of first instance may be assigned by the High Council of Judges and Prosecutors to deal exclusively with civil cases related to maritime trade and marine insurance arising from this Law and other laws.

(3) The relationship between the commercial court of first instance and the civil court of first instance and other civil courts is a duty relationship, and in this case the procedural provisions regarding the duty are applied.

(4) In a commercial case in a jurisdiction where there is no commercial court of first instance, failure to rely on the duty rule does not require a decision of non-jurisdiction; the court of first instance continues the case.

**3. Mediation as a condition of litigation**

**ARTICLE 5 / A-** (1) Among the commercial lawsuits specified in Article 4 of this Law and other laws, it is a condition to apply to a mediator before filing a lawsuit in the cases of receivables, compensation, cancellation of objection, negative clearance and restitution.

(2) The mediator concludes the application within six weeks from the date of his assignment. This period may be extended by the mediator for a maximum of two weeks in compulsory cases.

**B) Various provisions**

**1 – Timeout**

**ARTICLE 6**-(1) The statute of limitations stipulated in the laws establishing commercial provisions cannot be changed by contract, unless there is a contrary regulation in the Law.

**2 – Presumption of succession**

**ARTICLE 7**-(1) If two or more persons are jointly indebted to another person due to a business of commercial nature for only one or all of them, they shall be jointly liable unless otherwise stipulated in the law or the contract. However, default interest cannot be charged without notifying the surety and the surety that the commitment or payment has not been made or fulfilled.

(2) In the case of a surety for commercial debts, the provision of the first paragraph shall also apply to the relations between the principal debtor and the surety and the surety.

**3 – Interest in commercial affairs**

**1. Freedom of rate and terms of compound interest**

**ARTICLE 8**-(1) The interest rate in commercial affairs is determined freely.

(2) The condition that the interest is added to the principal and the interest is carried out together, for a period not less than three months, is valid only for current accounts and loan agreements that are in the nature of commercial business for both parties. Provided that this clause does not apply to those whose contracts are not traders.

(3) Provisions regarding the protection of the consumer are reserved.

(4) Interest operated in violation of the second and third paragraphs of this article is null and void.

**2. Provisions to be applied**

**ARTICLE 9**-(1) In commercial works; The provisions of the relevant legislation shall apply to the statutory principal and default interest.

**3. Beginning of interest**

**ARTICLE 10**-(1) If there is no contract to the contrary, the interest of a commercial debt starts to run from the expiry of the maturity and, if there is no certain maturity, from the warning day.

BOOK ONE: Commercial Business

PART ONE – The Merchant

**A) Commercial enterprise**

**1. Integrity principle**

**ARTICLE 11**-(1) A commercial enterprise is an enterprise in which activities are carried out continuously and independently, aiming to generate income exceeding the limit set for artisan.

(2) The border between the commercial enterprise and the artisan enterprise is determined by the decision of the President.

(3) The commercial enterprise may be transferred as a whole and be the subject of other legal proceedings, without the need for separate dispositions for the transfer of the assets it contains. Unless otherwise stipulated, the transfer agreement is deemed to include fixed assets, business value, tenancy right, trade name and other intellectual property rights, and assets that are permanently assigned to the business. With this transfer agreement, other agreements that cover the commercial enterprise as a whole are made in writing, registered and announced in the trade registry.

**B) Merchant**

**I – Natural persons**

**1. In general**

**ARTICLE 12**-(1) The person who operates a commercial enterprise, albeit partially, in his own name is called a merchant.

(2) A person who has declared to the public that he has established and opened a commercial enterprise, through circulars, newspapers, radio, television and other advertising means, or who has announced the situation by registering his business with the trade registry, is considered a trader even if he has not actually started the business.

 (3) Any person who acts as a partner, as if he has opened a commercial enterprise, on behalf of himself, an ordinary company or any other company that is not legally recognized, shall be liable to third parties in good faith, as if it were a trader.

**2. Small and limited**

**ARTICLE 13**-(1) A legal representative who operates a commercial enterprise belonging to small and restricted persons on their behalf is not considered a merchant. The title of merchant belongs to the represented. However, the legal representative is responsible, like the merchant, for the implementation of the penal provisions.

**3. Banned from trading**

**ARTICLE 14**-(1) A person who operates a commercial enterprise without permission or approval due to his personal situation or the nature of his work, or because of his profession and duties, in violation of a prohibition arising from a law or a judicial decision, or despite the need for the permission of another person or an official authority. is considered a trader.

(2) The legal, penal and disciplinary liability arising from the act contrary to the first paragraph is reserved.

**4. Artisan**

**ARTICLE 15**-(1) A person who is engaged in art or trade, whether traveling or stationary in a shop or in certain parts of a street, whose economic activity is based on more physical work than his capital, and whose income does not exceed the limit indicated in the decree to be issued pursuant to the second paragraph of Article 11, is a craftsperson. However, the provisions of Articles 20 and 53 specifics to merchants and the second paragraph of Article 950 of the Turkish Civil Code are also applied to these.

**II – Legal entities**

**ARTICLE 16**-(1) Trade companies, foundations, associations that operate a commercial enterprise to achieve their purpose, and institutions established by the State, special provincial administrations, municipalities and villages and other public legal entities to be managed in accordance with the provisions of private law in accordance with their own founding laws or to be operated commercially. organizations are also considered traders.

(2) The state, special provincial administrations, municipalities, villages and other public legal entities, associations working for the public benefit, and foundations that spend more than half of their income on public duties, may establish a commercial enterprise either directly or as a legal entity that is managed and operated in accordance with the provisions of public law. let them run it with their own hands, they are not considered merchants themselves.

**III – Equipping subsidiary**

**ARTICLE 17**-(1) The provisions regarding the merchant are also applied to the equipment subsidiary.

**C) Provisions of being a merchant**

**I - in general**

**ARTICLE 18**-(1) The merchant is subject to bankruptcy for all his debts; In addition, he is obliged to choose a trade name in accordance with the law, to register his commercial enterprise with the trade registry and to keep the necessary commercial books in accordance with the provisions of this Law.

10979

(2) Every trader must act like a prudent businessman in all his business activities.

(3) Notices or warnings between the merchants regarding default of the other party, termination of the contract, withdrawal from the contract are made through a notary public, registered letter, telegraph or registered electronic mail system using a secure electronic signature.

(4) Other provisions related to the title of merchant are reserved.

**II – privately**

**1. Presumption of commercial business**

**ARTICLE 19**-(1) It is essential that a trader's debts are commercial. However, the debt is considered ordinary if a real person trader clearly informs the other party that it is not related to his commercial business at the time of making the transaction or the situation is not suitable for the business to be considered commercial.

(2) Contracts that are in the nature of commercial business for only one of the parties are considered commercial business for the other, unless the Law provides otherwise.

**2. Right to charge**

**ARTICLE 20**-(1) A merchant, who has seen a business or service related to his commercial enterprise, to a person who is a merchant or not, may request an appropriate fee. In addition, the trader is entitled to interest from the date of payment for the advances given and the expenses incurred.

**3. Invoice and confirmation letter**

**ARTICLE 21**-(1) From the merchant who has sold, produced, performed a business or provided a benefit in the context of his commercial enterprise, the other party may request that an invoice be given to him and that if the price has been paid, it must be shown on the invoice.

(2) If the person receiving an invoice does not object to the content of the invoice within eight days from the date of receipt, it is deemed to have accepted this content.

(3) If the person who receives a letter confirming the content of the statements made by telephone, telegram, any communication or information tool or any other technical tool or verbally concluded contracts has not made an objection within eight days from the date of receipt of the said confirmation letter, shall be deemed to have accepted that it complies with the explanations.

**4. Reduction of fee and contract penalty**

**ARTICLE 22**- (1) The debtor, who has the title of merchant, cannot ask the court to reduce the fee or contract penalty with the allegation that an excessive fee or penalty has been agreed in the cases specified in the second paragraph of Article 121, the third paragraph of Article 182 and Article 525 of the Turkish Code of Obligations.

**5. Commercial sale and exchange of goods**

**ARTICLE 23**-(1) Without prejudice to the special provisions in this article, the provisions of the Turkish Code of Obligations regarding the sales contract and the goods exchange contract shall also apply in sales and exchanges of goods between merchants.

a) According to the nature of the contract, the purpose of the parties and the type of goods, if it is possible to fulfill the sales contract in parts or if these conditions are not available, the buyer has accepted the partial delivery without making any reservations; In the event that a part of the contract is not fulfilled, the buyer can use his rights only on the undelivered part. However, if that part is not delivered, the possibility of obtaining the expected benefit from the contract or achieving the pursued goal disappears or weakens, or if it is understood from the situation and conditions that the remaining part of the contract cannot be fully or properly fulfilled, the buyer may terminate the contract.

b) If the buyer is in default, the seller may ask the court to allow the sale of the goods. The court decides that the sale will be made by auction or through a person authorized to do so. If the seller wishes, the person authorized for sale has an expert determine the qualifications of the goods to be put up for sale. After deducting the sales expenses from the sales price, the remaining money is left by the seller to a bank on behalf of the buyer, and to a notary public if there is no bank, and the situation is immediately notified to the buyer, provided that the seller's right of exchange is reserved.

c) If it is obvious at the time of delivery that the goods are defective, the buyer must notify the seller within two days. If it is not clear, the buyer is obliged to inspect or have it examined within eight days after receiving the goods, and if the goods are found to be defective as a result of this inspection, he is obliged to notify the seller within this period in order to protect his rights. In other cases, the second paragraph of Article 223 of the Turkish Code of Obligations is applied.

PART TWO – Trade Registry

**A) Establishment**

**I - in general**

**ARTICLE 24**- (1)Trade registry directorates are established by the Ministry of Customs and Trade to operate in chambers of commerce and industry and chambers of commerce in the city center. The Ministry may establish trade registry directorates in chambers other than provincial centres, or it may establish branches affiliated to directorates.

(2)Trade registry is kept by the trade registry directorates and branches under the supervision and control of the Ministry.

(3) The procedures and principles regarding the keeping of trade registry records in electronic environment shall be indicated in the regulation to be issued pursuant to Article 26 of the Law. The central common database, where these records and the contents that need to be registered and announced, are stored regularly and can be presented in electronic environment, are created by the Ministry of Customs and Trade and the Union of Chambers and Commodity Exchanges of Turkey.

(4) The conditions to be sought in the establishment of the trade registry directorate and the principles regarding the establishment of the necessary cooperation between the chambers regarding registry transactions are regulated by a communiqué to be issued by the Ministry of Customs and Trade.

(5) The personal data required to be collected and processed in order to carry out the trade registry registration transactions in the electronic environment shall be protected in accordance with the legislation on the protection of personal data and information security.

**II – Management**

**ARTICLE 25**- (1)The commercial register is managed by the director of the commercial register. The director of the trade registry is appointed ex officio by the Ministry of Customs and Trade and can be dismissed by the same procedure, upon the proposal of the chamber or despite the warning of the Ministry of Customs and Trade, among the persons with the qualifications determined in the regulation issued according to Article 26, if the proposal is not made within thirty days. In the same way, according to the business volume of the trade registry directorate, a sufficient number of assistant directors are appointed. The ceiling and base wages of the personnel who will work in the trade registry directorates are determined each year by the Ministry of Customs and Trade, taking the opinion of the Union of Chambers and Commodity Exchanges of Turkey.

(2) The State and the relevant chamber are jointly responsible for all damages arising from the keeping of the trade registry. The state and the institution authorized to appoint the registrar shall recourse to those who are at fault in the occurrence of the damage. Trade registry director and his assistants and other personnel are punished as public officials for crimes related to their duties, and crimes against them are deemed to have been committed against the public official.

(3) The Ministry of Customs and Trade is always authorized to inspect the activities of the trade registry offices and take the necessary measures. Trade registry directorates are obliged to comply with the measures taken and instructions given by the aforementioned Ministry.Trade registry director and assistant managers and personnel in charge of trade registry transactions cannot be assigned any duties other than their duties by chambers.

**III – Regulation**

**ARTICLE 26**-(1) Establishment of the trade registry directorate, keeping the registry books, the procedures and principles regarding fulfilling the registration obligation, the means of objection against the decisions of the registry managers, the qualifications to be sought in the registry manager and assistants and other personnel, disciplinary affairs and other principles and procedures related to this subject. regulated in the regulation to be issued.

**B) Registration**

**I - Terms**

**1. Prompt**

**ARTICLE 27**- (1) Registration in the trade registry is made upon request as a rule. Provisions regarding registrations to be made ex officio or upon notification of authorized institution or organization are reserved. In works subject to fee, the date of the receipt of the fee is decisive in determining the date of registration. The provisions of Article 34 are reserved.

(2) Trade registry directorates send a copy of the application documents of the taxpayers who are corporate taxpayers and apply for registration pursuant to this article, to the relevant tax office. The obligations of these taxpayers to notify about starting work are deemed to have been fulfilled.

**2. Relevant**

**ARTICLE 28**– (1) The registration request is made to the authorized registry directorate by the persons concerned, their representatives or their legal successors.

(2) If more than one person is required and authorized to request the registration of a matter, the registration made upon the request of one of them shall be deemed to have been requested by all, unless there is a contrary provision in the law.

**3. The form of the prompt**

**ARTICLE 29**- (1) The registration request is made with a petition.

(2) The petitioner has to prove his identity. If the signature on the petition is approved by the notary public, there is no need to prove the identity separately.

**4. Duration**

**ARTICLE 30**-(1) Unless the law provides otherwise, the period for requesting registration is fifteen days.

(2) This period is when the transaction or phenomenon required to be registered has taken place; in cases whose completion depends on the issuance of a deed or document, it starts from the date of issuance of that deed or document.

(3) For those residing outside the jurisdiction of the trade registry directorate, this period is one month.

**5. Changes**

**ARTICLE 31**-(1) Any changes in registered matters are also registered.

(2) If the facts or transactions on which the registration is based are wholly or partially terminated or disappeared, the record in the registry is also partially or wholly deleted.

(3) In both cases, the provisions of Articles 27 to 30 apply.

**II – Duties of the Registrar**

**1. Inspection duty and provisional registration**

**ARTICLE 32**- (1) The registry manager is obliged to examine whether the legal conditions sought for registration exist.

(2) In the registration of legal persons, it is examined whether the articles of association are contrary to the mandatory provisions and whether the said agreement contains the provisions that the law requires to be found.

(3) The matters to be registered must fully reflect the truth, must not create a false impression on third parties, and must not be contrary to public order.

(4) Matters whose resolution is dependent on a court decision or whose final registration is delayed by the registry manager, shall be registered temporarily upon the request of the relevant persons. However, if the persons concerned do not prove that they have applied to the court or that they have come to an agreement within three months, the temporary registration shall be deleted ex officio. If an application is made to the court, action is taken according to the result of the final judgment.

**2. Invitation to registration and punishment**

**ARTICLE 33**-(1) The registry manager, who is informed about a matter whose registration is compulsory but which is not requested to be registered legally and within the time limit, or which does not comply with the conditions in the third paragraph of Article 32, is responsible for fulfilling its legal obligations within a suitable period to be determined by the relevant persons or proving that there are no reasons for the registration of that matter. calls to do.

(2) The person who does not make a request for registration within the time given by the registry director and does not report the reasons for avoidance is penalized with an administrative fine of one thousand Turkish Liras by the highest local civilian authority upon the proposal of the registry director.

(3) If the reasons for avoidance are reported within the time limit, if the commercial court of first instance, which is responsible for dealing with commercial cases at the location of the registry, examines the file and concludes that there is an issue that needs to be registered, it orders the registry manager to register it, otherwise it rejects the request for registration. Punishment of a person who does not request registration within the prescribed period or does not report the reasons for avoidance, with the penalty in the second paragraph, shall not constitute an obstacle to the implementation of the provision of this paragraph.

**3. Objection**

**ARTICLE 34**- (1) The persons concerned may object to the decisions to be made by the registry directorate regarding the registration, change or deletion requests, with a petition, to the commercial court of first instance, which is responsible for dealing with commercial cases in the place where the registry is located, within eight days of their notification.

(2) This objection is decided upon by the court after examining the file. However, if the decision of the registry manager is contrary to the interests of the third parties regarding the matters recorded in the registry, the objector and the third person are also heard. If they do not come to the court, a decision is made over the file.

**III – Openness**

**ARTICLE 35**-(1) Newspapers containing petitions, declarations, promissory notes, documents and advertisements, which are the basis of the registration process, are kept by the registry directorate, with the date and numbers of the registry book written on them.

(2) Everyone can examine the content of the trade registry and all the promissory notes and documents kept in the directorate, as well as get certified copies of them by paying their expenses. A certified document showing whether an issue is registered in the registry may also be requested.

(3) The registered matters are announced unless there is a contrary provision in the law or the regulation to be issued pursuant to Article 26 of the Law.

(4) Announcement is made in the Turkish Trade Registry Gazette, which is specific to the announcement of registry records throughout Turkey.

**IV – Results**

**1. Effect of registration and announcement on third parties**

**ARTICLE 36**- (1) Regardless of where the trade registry records are located, the registration is announced in the Turkish Trade Registry Gazette regarding third parties; If the entire advertisement is not published in the same copy, it will have legal consequences as of the business day following the publication of the last part. These days will also start the periods that will start to run from the date of the announcement of the registration.

(2)Special provisions regarding the fact that an issue will have consequences for third parties immediately upon registration or that the deadlines will run immediately are reserved.

(3) Claims of third parties regarding that they do not know the registry records that have started to have consequences against them are not heard.

(4) An issue that has not been registered even though its registration is mandatory, or that has not been registered but announced while its announcement is mandatory, can only be claimed against third parties if it is proven that they knew or should have known about it.

**2. Confidence in appearance**

**ARTICLE 37**-(1) In case of inconsistency between the registration record and the declared situation, the trust of the third parties to the announced situation is preserved, unless it is proved that they know the real situation that has been registered.

**3. Responsibility**

**ARTICLE 38**-(1) Those who make false declarations for registration and registration are punished with an administrative fine of two thousand Turkish Liras. The compensation rights of those who have been damaged due to untrue registration are reserved.

(2) Those who do not want the records to be corrected even though they learn that they do not comply with the provisions of the third paragraph of Article 32, and those who are obliged to request the change or deletion of the registration due to the change, expiration or removal of a registered matter or to register an issue that needs to be re-registered but do not do so, are liable for compensation for the damages incurred by third parties due to

PART THREE – Trade Name and Business Name

**A) Trade name**

**I – Obligation to use**

**1. In general**

**ARTICLE 39**-(1) Every trader is obliged to carry out the transactions related to his commercial enterprise with his trade name and to sign the promissory notes and other documents related to his business under this title.

(2)The registered trade name is written legibly in a visible place of the commercial enterprise. In the commercial letters issued by the merchant regarding his business and in the documents on which the records made in the commercial books are based, the merchant's registration number, trade name, headquarters of the business and, if the merchant is subject to the obligation to create a website, the address of the registered website is also shown. All this information is published on the company's website. Also on this site, the names and surnames of the chairman and members of the board of directors in joint stock companies, the amount of subscribed and paid capital, the names and surnames of the managers in limited companies, the amount of subscribed and paid capital, the names and surnames of the managers in limited companies whose capital is divided into shares. the amount of capital is published.

**2. Registration**

**ARTICLE 40**-(1) Each merchant shall register and announce his commercial enterprise and the trade name he has chosen in the trade registry of the place where the business center is located, within fifteen days from the day the commercial enterprise is opened.

(2) Each merchant submits the trade name to be used and the signature to be signed under it to the registry office. If the merchant is a legal person, the signatures of the persons authorized to sign on his behalf are given to the registry office along with the title. Signature statement is given by making a written statement in the presence of authorized personnel in any trade registry directorate. The procedures and principles regarding the implementation of this article are determined by the communiqué to be issued by the Ministry of Customs and Trade.

(3) Branches of commercial enterprises headquartered in Turkey are also registered and announced in the trade registry of their location. The provisions of the first and second paragraphs regarding the trade name and signature samples are also applied to these enterprises. Unless there is a contrary provision in the law, the records entered in the registry to which the center is affiliated are also registered to the registry to which the branch is affiliated. However, the registry office of the place where the branch is located does not have to make a separate examination in this regard.

(4) Branches in Turkey of commercial enterprises whose headquarters are located outside of Turkey are registered as domestic commercial enterprises, provided that the provisions of the laws of their own countries regarding the trade name are reserved. For these branches, a fully authorized commercial representative whose place of residence is in Turkey is appointed. If the commercial enterprise has more than one branch, the branches to be opened after the registration of the first branch are registered as the branches of the domestic commercial enterprises.

**II – Form of trade name**

**1. Natural persons**

**ARTICLE 41**-(1) The trade name of the trader, who is a real person, consists of the additions that he can make in accordance with Article 46 and his name and surname to be written without abbreviation.

**2. Legal entities**

**a) Collective and limited partnership companies**

**ARTICLE 42**- (1) The trade name of the collective company includes the name and surname of all partners or at least one of the partners, and a phrase that will show the company and its type.

(2) The trade name of limited partnership companies whose ordinary or limited capital is divided into shares includes the name and surname of at least one of the limited partners and a phrase indicating the company and its type. The names, surnames or trade titles of the limited partners cannot be found in the trade names of these companies.

**b) Joint stock, limited and cooperative companies**

**ARTICLE 43**-(1) Joint stock, limited liability and cooperative companies can freely choose their trade names, provided that the subject of operation is shown and the provision of Article 46 is reserved.

(2) The words "joint stock company", "limited company" and "cooperative" must be present in trade names. If the trade name of these companies includes the name or surname of a real person, the phrases indicating the type of company cannot be written with initials or by shortening in any other way.

**c) Other legal entities considered as merchants and equipment participation**

**ARTICLE 44**-(1) Trade names and names of associations, foundations and other legal entities that own commercial enterprises.

(2) The trade name of the navy subsidiary includes the name and surname of at least one of the joint shipowners or the name of the ship used in maritime trade. Surnames and ship names cannot be shortened. The trade name also includes a phrase to show the equipment participation.

**d) Common provisions**

**ARTICLE 45**-(1) If necessary, an addition is made to a trade name in order to distinguish it from another previously registered title in any registry office in Turkey.

**3. Appendices**

**ARTICLE 46**-(1) Provided that it is not in a nature to cause a wrong opinion to be formed by third parties about the identity of the merchant, the extent, importance and financial status of the business, and not contrary to the truth and public order; Additions can be made to each trade name, indicating the characteristics of the business or showing the identities of the persons included in the title, or consisting of fictitious names.

(2) Real persons who trade alone cannot add to their trade names to give the impression that a company exists.

(3) The words “Turk”, “Turkey”, “Cumhuriyet” and “National” can only be put in a trade title by the decision of the President.

**4. Continuation of the trade name**

**ARTICLE 47**-(1) If the name of the commercial business owner or a partner in the trade name is changed by law or is changed by the competent authorities, the title may remain as it is.

(2) In the event that new partners join the collective or limited partnership company or the equipment affiliate, the trade name may remain unchanged. Upon the death of a partner whose name is included in the trade name of one of these companies, the company title can be left as it is if the heirs accept the continuation of the company by replacing him or if they do not enter the company but give their consent in this regard in writing. The name of the partner leaving the company may also remain in the company title, provided that written permission is obtained.

**5. Branches**

**ARTICLE 48**- (1) Each branch has to use the trade name of its own headquarters by stating that it is a branch. Additions related to the branch can be made to this title.

(2) Articles 41 and 45 are also applied to the trade name of the branch.

(3) In the trade name of the Turkish branch of an enterprise whose head office is located in a foreign country, it is obligatory to show the location of the headquarters and the branch, and whether it is a branch.

**6. Transfer of trade name**

**ARTICLE 49**-(1) The trade title cannot be transferred to another person separately from the business.

(2) The transfer of a business also results in the transfer of title, unless otherwise expressly agreed. In case of transfer, the transferee has the right to use the same title.

**III – Protection of the trade name**

**Principle 1**

**ARTICLE 50**-(1) The right to use the duly registered and announced trade name belongs only to the owner.

**2. Notice and penalty**

**ARTICLE 51**- (1) All courts, civil servants, chambers of commerce and industry, notaries and Turkish Patent Institute are obliged to inform the competent authorities if they learn that a trade name has not been registered, has been registered or used in violation of the provisions of the law while performing their duties.

(2) Those who violate Articles 39 to 45 or 48 are punished with an administrative fine of two thousand Turkish Liras.

(3) Those who violate article 46 or take over and use their trade names with those who have transferred their trade names in violation of article 49 are sentenced to imprisonment from three months to two years or a judicial fine.

**3. Rights of the person whose title has been violated**

**ARTICLE 52**-(1) In case the trade name is used by another in violation of commercial honesty, the right owner shall determine and prohibit this; If the unfairly used trade name has been registered, it can be legally changed or deleted, the material situation that is the result of the infringement is eliminated, the vehicles and related goods are destroyed if necessary, and if there is damage, it may request material and moral compensation according to the gravity of the fault. As pecuniary compensation, the court may also decide on the compensation for the benefit of the aggressor, which is deemed possible to be obtained as a result of the rape.

(2) The court, upon the request of the party winning the case, may also decide to publish the decision in the newspaper, at the expense of the person against whom the judgment has been rendered.

**B) Business name**

**ARTICLE 53**- (1) The names used to introduce the business directly and distinguish it from similar businesses, without being related to the business owner, must also be registered by the owners. Articles 38, 45, 47, 50, 51 and 52 apply to registered business names.

PART FOUR – Unfair Competition

**A) in general**

**I – Purpose and principle**

**ARTICLE 54**-(1) The purpose of the provisions of this Part on unfair competition is to ensure fair and undistorted competition for the benefit of all participants.

(2)Deceptive or otherwise contrary to the rule of good faith and commercial practices that affect the relations between competitors or between suppliers and customers are unfair and unlawful.

**II – Behaviors contrary to the rule of honesty, commercial practices**

**ARTICLE 55**-(1) The cases listed below are the main cases of unfair competition:

a) Advertisements and sales methods contrary to the rule of honesty and other unlawful acts and especially;

1. Disparaging others or their goods, work products, prices, activities or business with false, misleading or unnecessarily offensive statements,

2. To make false or misleading statements about himself, his commercial enterprise, business signs, goods, business products, activities, prices, stocks, the form of sales campaigns and business relations, or to put the third party ahead of the competition by the same means,

3. Although he has not received honors, diplomas or awards, trying to create the illusion that he has exceptional talent by acting as if he has them, or using incorrect professional names and symbols that are suitable for this,

4. To take measures that cause confusion with someone else's goods, work products, activities or business,

5. In a way that misrepresents himself, his goods, work products, activities, prices, untrue, misleading, unduly disparaging his competitor or unduly taking advantage of his reputation; to compare goods, work products or prices with others, or to put the third party ahead in similar ways,

6. To offer selected goods, work products or activities for sale more than once below the supply price, to highlight these offerings in their advertisements and thereby mislead customers about their own or competitors' ability; insofar as the selling price is below the supply price applied in the purchase of the same type of goods, work products or activities in a similar volume, the existence of deception is presumed; If the defendant proves the real supply price, this price will be the basis for the evaluation,

7. Mislead the customer about the true value of the presentation with additional actions,

8. Limiting the customer's freedom of decision, especially with aggressive sales methods,

9. Concealing the characteristics, quantity, purpose of use, benefits or dangers of goods, work products or activities and thus mislead the customer,

10. Not stating the title clearly in public announcements regarding installment sales agreements or similar legal transactions, not specifying the cash or total sales price or the additional cost arising from sales in installments in Turkish Lira and annual rates,

11. Not stating the title clearly in public announcements regarding consumer loans or not making clear statements regarding the net amounts, total expenses, effective annual interests of the loans,

12. Contract formulas containing incomplete or incorrect information regarding the subject of the contract, price, payment terms, contract duration, the customer's right of withdrawal or termination or the right to pay the remaining debt before maturity, in the framework of its business activities, which offers or concludes installment sales or consumer loan contracts. to use.

b) To lead to breach or termination of the contract; especially;

1. Directing them to act in violation of the agreements they have made with others, so that they can make a contract with the customers themselves,

2. To try to benefit himself or others by providing or offering benefits to the workers, representatives and other assistants of third parties that they do not deserve and that may lead them to act contrary to their obligations in the performance of their work,

3. Directing workers, their representatives or other auxiliary persons to disclose or seize the production and business secrets of their employers or clients,

4. To direct the buyer or the borrower, who has made an installment sale, cash sale or consumer loan contract, to withdraw from this contract or the buyer who has made a cash sale contract to terminate this contract, so that he can conclude such a contract with him.

c) Unauthorized use of other people's work products; especially;

1. Unauthorized use of a business product such as an offer, account or plan entrusted to him,

2. To benefit from a work product such as a third party offer, account or plan, even though it is necessary to know that these have been delivered or provided to him without authorization,

3. Taking over and exploiting others' ready-to-market work products by means of technical reproduction without appropriate contribution of his own.

d) Unlawfully revealing production and business secrets; In particular, the person who evaluates or informs others of the information that he secretly and unauthorizedly obtained or otherwise unlawfully learned and the business secrets of the producer will be acting against integrity.

e) Failure to comply with business terms; In particular, those who do not comply with the business terms that are imposed on competitors by law or contract, or that are usual in a profession or in the environment, act against honesty.

f) Using transaction terms contrary to the rule of honesty. against the other party, especially in a misleading way;

1. Significantly departing from the legal regulation to be applied directly or through interpretation, or

2. Those who use the pre-written general terms and conditions, which stipulate the distribution of rights and obligations that are significantly contrary to the nature of the contract, will be acting in violation of honesty.

**B) Legal liability**

**I – Miscellaneous cases**

**ARTICLE 56**-(1) Any person whose customers, credit, professional reputation, commercial activities or other economic interests are damaged or may face such a danger due to unfair competition;

a) Determining whether the act is unfair or not,

b) Prohibition of unfair competition,

c) Elimination of the material situation that is the result of unfair competition, correction of these statements if unfair competition is made with false or misleading statements, and if it is inevitable to prevent infringement, the destruction of tools and goods that are effective in the processing of unfair competition,

d) Compensation for damage and loss, if any,

e) Giving moral compensation in the presence of the conditions stipulated in Article 58 of the Turkish Code of Obligations,

may request. In favor of the plaintiff and as compensation in accordance with subparagraph (d), the judge may also decide on the compensation for the benefit deemed possible by the defendant as a result of unfair competition.

(2)Customers whose economic interests are damaged or who may face such a danger can also file the lawsuits in the first paragraph, but cannot demand the destruction of vehicles and goods.

(3) Chambers of commerce and industry, chambers of commerce, commodity exchanges and other professional and economic unions authorized to protect the economic interests of their members according to their statutes, as well as non-governmental organizations and public institutions that protect the economic interests of consumers according to their statutes are also subject to the provisions of the first paragraph (a), (b) and (c) can open the cases written in subparagraphs.

(4) The judgment rendered against a person pursuant to subparagraphs (b) and (c) of the first paragraph shall also be enforced on persons who have obtained the goods subject to unfair competition, directly or indirectly, from him for commercial purposes.

**II – Employer's responsibility**

**ARTICLE 57**-(1) If the act of unfair competition is committed by the employees or workers while they are performing their services or jobs, the lawsuits written in subparagraphs (a), (b) and (c) of the first paragraph of Article 56 may also be brought against the employers.

(2) The provisions of the Turkish Code of Obligations shall apply to the lawsuits written in sub-paragraphs (d) and (e) of the first paragraph of Article 56.

**III – Responsibility of press, broadcasting, communication and information institutions**

**ARTICLE 58**-(1) If the unfair competition is committed through all kinds of press, broadcasting, communication and information enterprises and institutions that will become operational as a result of future technical developments, the lawsuits written in subparagraphs (a), (b) and (c) of the first paragraph of Article 56, only the thing published in the press, the program; what is displayed on the screen, computer or similar media; may be filed against the owners of the audio broadcast or any other means of transmission, and against the persons who place advertisements; However;

a) If the thing, program, content, image, sound or message published in the printed media has been published without the knowledge of their owners or the advertiser or contrary to their approval,

b) If it is avoided to notify who is the owner of the thing, program, image, sound or message published in the printed media or who is the advertiser,

c) If, for other reasons, it is not possible to reveal the owner of the thing, program, image, sound, message or advertiser or to file a lawsuit against them in a Turkish court,

the above-mentioned cases, the editor-in-chief, the editor-in-chief, the program producer, the person who puts or has put the image, sound, message on the broadcast, communication and information tool, and the chief of the announcement service; If these cannot be displayed, they can be filed against the owner of the business or establishment.

(2) Except for the cases stipulated in the first paragraph, in case of fault of one of the persons listed in the same paragraph, a lawsuit may be filed regardless of the order.

(3) The provisions of the Turkish Code of Obligations are applied in the cases written in subparagraphs (d) and (e) of the first paragraph of Article 56.

(4) The lawsuits in the first paragraph of this article cannot be brought against the service provider if he has not initiated the transmission of the act of unfair competition, has not chosen the recipient of the transmission or the content constituting the act, or has not changed it to carry out the act; an injunction cannot be made. In cases where the negative consequences of the unfair competition act will be extensive or the damage will be great, the court may also listen to the relevant service provider and take the injunction decision regarding the termination or prevention of the unfair competition act against the service provider or take other applicable measures, including the temporary removal of the content, in accordance with the concrete case.

**IV – Announcement of the decision**

**ARTICLE 59**-(1) The court may also decide to announce the verdict after the finalization of the case, upon the request of the party who won the case, with the expense of being collected from the party who proved wrong. The court determines the form and scope of the announcement.

**V – Timeout**

**ARTICLE 60**-(1) The lawsuits written in Article 56 become statute of limitations, one year from the day the party entitled to the action learns of the birth of these rights, and in any case three years from their birth. However, if the act of unfair competition is also a criminal act that is subject to a longer statute of limitations in accordance with the Turkish Penal Code dated 26/9/2004 and numbered 5237, this period is also valid for civil lawsuits.

**VI – Precautionary measures**

**ARTICLE 61**– (1) Upon the request of the person who has the right to file a lawsuit, the court decides to protect the current situation as it is, to eliminate the material situation resulting from unfair competition as stipulated in subparagraphs (b) and (c) of the first paragraph of Article 56, to prevent unfair competition and to prevent wrongful or wrongful actions. may decide on the correction of misleading statements and other measures in accordance with the provisions of the Code of Civil Procedure on interim injunction.

(2) In addition, the goods subject to unfair competition, which requires punishment in case of infringing on the rights of the right holder, may be seized by the customs administrations as a precautionary measure upon the request of the right holder during import or export.

(3) The practice regarding confiscation is subject to the legislation on this subject.

(4) If a lawsuit is not filed in the relevant court on the merits or a precautionary decision is not taken from the court within ten days following the notification of the injunction or seizure decision at the customs administrations, the seizure decision of the administration shall be nullified.

**C) Criminal liability**

**I – Acts that require punishment**

**ARTICLE 62**-(1)a) Those who deliberately commit one of the acts of unfair competition written in Article 55,

b) Those who deliberately give false or misleading information about their personal situation, products, business products, commercial activity and business in order to prefer their own offers and offers to those of their competitors,

c) Those who deceive employees, their proxies or other assistants in order to enable the employer or their clients to seize the production or trade secrets,

d) Those who learn from their employers or clients that their workers or employees or their proxies have committed an act of unfair competition that necessitates a penalty while doing their job, and those who do not prevent this act or correct untrue statements,

If the act does not constitute another crime that requires a heavier penalty, upon the complaint of one of those who have the right to file a civil lawsuit pursuant to Article 56, they are sentenced to imprisonment of up to two years or a judicial fine for the acts falling within the scope of each subparagraph.

**II – Criminal liability of legal persons**

**ARTICLE 63**-(1) If an act of unfair competition is committed during the performance of the legal persons' business, the provision of Article 62 shall apply to the members or partners of the body acting on behalf of the legal entity or that have been required to act. In the event that the act of unfair competition is committed within the framework of the activity of a legal person, specific security measures may also be decided on the legal person.

PART FIVE – Commercial Books

**A) Bookkeeping and inventory**

**I – Bookkeeping obligation**

**ARTICLE 64**- (1)**(Değişik: 26/6/2012-6335/8 md.)**Every trader is obliged to keep commercial books and clearly reveal in his books the economic and financial status of his commercial enterprise, the debt and credit relations and the results obtained in each accounting period, in accordance with this Law. The books are kept in such a way that the third party experts can give an idea about the activities and financial situation of the business in the examination they will make within a reasonable time. The formation and development of business activities should be able to be followed from the books.

10991

(2) The merchant is obliged to keep a photocopy, carbon copy, microfiche, computer record or a similar copy of any document sent regarding his business in written, visual or electronic media.

(3)**(Değişik: 26/6/2012-6335/8 md.)**The opening approvals of the journal, general ledger and inventory book kept in the physical environment and the books listed in the fourth paragraph are made by the notary public during the establishment and before they are used. The opening approvals of these books in the following operating periods are made by the notary public until the end of the previous month from the first month of the activity period in which the books will be used. The share ledger and the general assembly meeting and negotiation book may continue to be used in the following operating periods without an opening approval, provided that it has sufficient leaves. **(Amended fourth sentence: 28/3 / 2013-6455 / 78 art.)** The closing approval of the journal book is made by the end of the sixth month of the following operating period, and the closing approval of the resolution book of the board of directors is made by the end of the first month of the following operating period. **(Repealed fifth sentence: 15/2/2018-7099/22 art.) (…)**In cases where the opening approval is made by the notary public, the notary public has to seek the trade registry certification. **(Additional sentence: 15 / 2 / 2018-7099 / 22 md.)**However, during the registration of joint stock and limited companies to the trade registry, the opening approvals of the books are made by the trade registry directorates. In case the commercial books are kept in electronic environment, notary public or trade registry directorate approval is not required for the opening of these books and the closing of the journal book and the resolution book of the board of directors. How the commercial books kept in the physical or electronic environment will be kept, the time of registration in the books, the form and principles of the approval renewal, opening and closing approvals are determined by the communiqué issued jointly by the Ministry of Customs and Trade and the Ministry of Finance.(1)

(4) The books that are not related to the accounting of the enterprise, such as the share book, the resolution book of the board of directors, and the general assembly meeting and negotiation book, are also commercial books. **(Ek cümleler:27/12/2020-7262/27 md.)**The Ministry of Commerce may require that the share book, the board of directors' resolution book and the general assembly meeting and discussion book be kept electronically. The provisions of the Capital Market Law are reserved.

(5)**(Değişik: 26/6/2012-6335/8 md.)**Real and legal persons subject to this Law are obliged to comply with the provisions of the Tax Procedure Law dated 4/1/1961 and numbered 213 regarding bookkeeping and recording time, and the regulations made pursuant to the authorization in Articles 175 and repeating Article 257 of the same Law. Bookkeeping, inventory, arrangement of financial statements, capitalization, provisions, accounts, valuation, custody and presentation provisions of this Law are applicable to the implementation of the provisions of Law No. does not constitute an obstacle.

**II – Keeping of books**

**ARTICLE 65**-(1) Notebooks and other necessary records are kept in Turkish. If abbreviations, numbers, letters and symbols are used, their meanings should be clearly stated.

(2)Writings in the books and other necessary records are made in a complete, correct, timely and regular manner.

(3) A writing or recording cannot be drawn or changed in such a way that its previous content cannot be determined. Modifications that are unclear whether they were made during registration or later are prohibited.

(4) Ledgers and other necessary records may be kept in the form of filing documents identifying facts and transactions or through data carriers. In case the books and other necessary records are kept electronically, it is essential that the information is accessible during the storage period and it is ensured that they are always easily read during this period. In case of electronic detention, the provisions of the first to third paragraphs are applied by analogy.

**III – Inventory**

**ARTICLE 66**-(1) Every merchant, at the opening of his commercial enterprise, draws up an inventory that shows his immovables, receivables, debts, amount of cash and other assets completely and accurately and specifies the values ​​of his assets and debts one by one.

(2) After the opening, the trader also arranges such an inventory at the end of each operating period. The operating period or the accounting year in another legal term cannot exceed twelve months. Inventory is taken out in the time appropriate to the flow of a regular business activity.

(3) If the assets included in the tangible assets, raw and auxiliary materials and operating materials are regularly substituted and their total value is of secondary importance to the enterprise, they are included in the inventory with the unchanged amount and value; provided that their present has undergone only minor changes in quantity, value and composition. However, as a rule, a physical count is required every three years.

(4) Inventory items of the same type, other items of movable assets of the same nature or approximately the same value, and liabilities can be grouped separately and put into the inventory with the average weighted value.

**IV** - **Methods to facilitate inventory**

**ARTICLE 67**-(1) While taking out the inventory, the assets are determined as type, amount and value according to the drilling method and with the help of generally accepted mathematical-statistical methods. The method used should be in accordance with Turkish Accounting Standards. The results of the inventory arranged in this way should correspond to the results of the inventory that would have been obtained had a physical count been made.

(2) A physical inventory is not required if it is possible to reliably determine the assets in terms of type, amount and value by applying another method in accordance with Turkish Accounting Standards in issuing the closing inventory of an operating period.

(3) If, at the close of the operating period, it is shown in a special inventory arranged as of a day within the three or two months before the end of the operating period, according to the type, amount and value of the asset items, using physical counting or any other method permitted according to the second paragraph, Based on the inventory and using the forward-looking estimation method in accordance with Turkish Accounting Standards, if the current assets are valued correctly as of the end of the operating period, there is no need to make an inventory of the assets.

**B) Opening balance sheet, year-end financial statements**

**I – General provisions**

**1. Regulatory burden**

**ARTICLE 68**-(1) The trader must prepare a financial statement (respectively opening balance sheet and annual balance sheet) showing the relationship between the amounts of assets and liabilities, at the beginning of his business activity and at the end of each operating period. In the opening balance sheet, the provisions of the year-end financial statements regarding the year-end balance sheet are applied.

(2) The trader prepares the income statement.

(3) The balance sheet and income statement form the year-end financial statements. The provisions of Article 514 and Turkish Accounting Standards on this subject are reserved.

**2. Regulatory principles**

**ARTICLE 69**-(1) Year-end financial statements;

a) It should be arranged in accordance with Turkish Accounting Standards,

b) It should be clear and understandable,

c) It should be issued within the time required by a regular flow of business activity.

**3. Language and currency**

**ARTICLE 70**-(1) Year-end financial statements are prepared in Turkish and in Turkish Lira. Exceptions in other laws on this subject are reserved.

**4. Signature**

**ARTICLE 71**-(1) Financial statements are signed by the trader with a date.

**II – Principles for items**

**1. Completeness and prohibition of offset**

**ARTICLE 72**-(1) On the contrary, without prejudice to legal provisions and Turkish Accounting Standards, financial statements must show all assets, liabilities, prepaid expenses and cash collected revenues, period separator accounts in technical terms, all income and expenses of the commercial enterprise correctly evaluated. . Assets acquired on condition that their ownership is reserved and pledged for the debts of the enterprise or third parties or given as collateral in any other way are shown in the balance sheet of the guarantee giver. In cases where cash deposits are in question, these are included in the balance sheet of the collateral holder. Provisions regarding financial leasing are reserved.

(2) Asset items cannot be deducted with liabilities, expenses with incomes, rights related to immovables and related loads.

**2. Content of the balance sheet**

**ARTICLE 73**-(1) Unless otherwise stipulated in Turkish Accounting Standards, fixed and current assets, equity, liabilities and period separating accounts are shown as separate items in the balance sheet and charted in sufficient detail.

(2) Fixed assets include assets allocated to the business on an ongoing basis.

**3. Activation ban**

**ARTICLE 74**-(1) Unless otherwise stipulated in the Turkish Accounting Standards, an active item cannot be included in the balance sheet for the expenses made for the establishment of the enterprise and the provision of equity.

(2) No item can be included in the assets of the balance sheet for the intangible assets that are obtained free of charge; unless otherwise stipulated in Turkish Accounting Standards.

(3) Expenses necessary for the conclusion of insurance contracts cannot be capitalized; unless otherwise stipulated in Turkish Accounting Standards.

**4. Provisions**

**ARTICLE 75**-(1) Provision is made in accordance with the rules stipulated in Turkish Accounting Standards for probable losses that may arise from doubtful liabilities and suspended transactions.

**5. Period separator accounts**

**ARTICLE 76**-(1) Turkish Accounting Standards are applied for expenditures that will become expenses within a certain period after the balance sheet date and collections that will constitute income elements.

**6. Responsibility relationships**

**ARTICLE 77**-(1) Liabilities arising from issuance of bills, issuance of policies and checks, transfer, acceptance of the policy, sureties, bills of exchange, guarantee contracts, letter of credit confirmations, guarantees given for the debts of third parties, commitments in favor of third parties and other responsibilities stipulated in the Turkish Accounting Standards are not shown in liabilities, It is disclosed at the bottom of the balance sheet or in the appendix according to Turkish Accounting Standards. Responsibility relations regarding receivables and debts arising from recourse are also specified in the appendix.

**III – Valuation principles**

**1. General valuation principles**

**ARTICLE 78**-(1) The following valuation principles are valid for the assets and liabilities included in the financial statements, including but not limited to the following, taking into account the principles stipulated in the Turkish Accounting Standards:

a) The values ​​in the closing balance sheet of the previous period and the values ​​in the opening balance sheet of the operating period must be the same.

b) Unless it is contrary to the actual or legal situation, the valuation is based on the continuity of the business activity.

c) On the closing date of the balance sheet, assets and liabilities are evaluated one by one.

d) Valuation should be done with caution; in particular, all possible risks and losses incurred up to the balance sheet date are taken into account, even if they are learned between the balance sheet date and the year-end financial statements issuance date; gains are taken into account if they are realized as of the balance sheet date. The principles of Turkish Accounting Standards are followed in associating positive and negative valuation differences with the period results.

e) Expenses and incomes of the operating year are included in the year-end financial statements regardless of the payment and collection dates.

f) The methods applied in the previous year-end financial statements are preserved.

(2) In cases stipulated in the standards and in exceptional cases, the principles in the first paragraph may be departed from.

**2. Valuation measures of assets and liabilities**

**ARTICLE 79**-(1) Fixed and current assets are valued according to the measurements shown in these standards in accordance with Turkish Accounting Standards. The same standards apply for payables and other items.

**3. Acquisition and production values**

**ARTICLE 80**-(1) Determination of the values ​​to be applied in the valuation, their definitions, scopes, indication of the items to be applied and changes are subject to Turkish Accounting Standards.

**4. Methods to simplify valuation**

**ARTICLE 81**-(1) In case the conditions are fulfilled, the valuation simplification methods stipulated in the Turkish Accounting Standards are applied.

**C) Retention and submission**

**I – Storage of documents, retention period**

**ARTICLE 82**-(1) Every trader;

a) Commercial books, inventories, opening balance sheets, interim balance sheets, financial statements, annual activity reports, group financial statements and annual activity reports and work instructions and other organizational documents that will facilitate the comprehensibility of these documents,

b) Commercial letters received,

c) Copies of the commercial letters sent,

d) It is obliged to keep the documents on which the records made according to the first paragraph of Article 64 are based, in a classified manner.

(2) Business letters are all correspondence relating to a business business.

(3) Except for the opening and interim balance sheets, financial statements and group financial statements, the documents listed in the first paragraph can be stored on image or data carriers, provided that they are also in compliance with Turkish Accounting Standards; provided that;

a) When they are made legible, they should overlap in content with the commercial letters and book references received, as well as with the visual and other documents;

b) The records should be accessible at any time during the retention period and the records should be made readable within a suitable period of time.

(4) If the records are taken to electronic media in accordance with the second sentence of the fourth paragraph of Article 65, the information; It can also be stored in print instead of on the computer. Such printed information can also be stored according to the first sentence.

(5) The documents stipulated in subparagraphs (a) to (d) of the first paragraph are kept for ten years.

(6) The retention period begins with the end of the calendar year in which the last entry in the commercial books, the inventory is drawn up, the interim balance sheet is prepared, the year-end financial statements are prepared and the consolidated financial statements are prepared, the commercial correspondence is made or the accounting documents are formed.

(7) Books and documents that a merchant is obliged to keep; If it is lost due to a disaster or theft such as fire, flood or ground shaking and within the legal storage period, the trader may request a document from the competent court of the place where his commercial enterprise is located within fifteen days from the date of learning of the loss. This case is opened without an opponent. The court may also order the collection of evidence it deems necessary.

(8) In the event of the death of the real person, the merchant is obliged to keep the heirs and, in case of abandoning the trade, the books and papers in accordance with the first paragraph. In case of the official liquidation of the inheritance or if the legal entity has ended, the books and papers are kept by the peace court for ten years in accordance with the first paragraph.

**II – Submission in legal disputes**

**ARTICLE 83**-(1) In commercial disputes, the court may decide on the submission of the commercial books of the parties, ex officio or upon the request of one of the parties, even if they are foreign natural or legal persons.

(2) The provisions of the Code of Civil Procedure regarding the preparatory proceedings in cases requiring trial and the provisions regarding the obligation to present the bills are also applied in commercial affairs.

**III – Taking copies in disputes**

**ARTICLE 84**-(1) If commercial books are submitted in a legal dispute, the parts of the books related to the dispute are examined with the participation of the parties. If deemed necessary, copies are taken from the relevant sheets of the ledgers.

**IV – Examination of the notebooks completely**

**ARTICLE 85**-(1) In disputes related to property law, especially regarding inheritance, partnership and company liquidation, the court may decide to deliver the commercial books and to examine all their contents.

**V – Submission of documents transferred to image and data carriers**

**ARTICLE 86**- (1) The person who can present the documents that must be kept only through an image or other data carrier is obliged to have the auxiliary tools necessary for the reading of those documents ready for use, at his own expense; If necessary, he should print the documents at his own expense and be able to provide readable copies without the need for auxiliary tools.

**VI – App for newbies to trading**

**ARTICLE 87**-(1) For the business owners who are obliged to register their business to the trade registry, the provisions of this Section are valid from the moment the obligation to register them to the trade registry arises.

**VII – Authority of the Public Oversight, Accounting and Auditing Standards Authority**

**ARTICLE 88**-(1) When real and legal persons subject to the provisions of Articles 64 to 88 prepare their individual and consolidated financial statements, comply with the Turkish Accounting Standards published by the Public Oversight, Accounting and Auditing Standards Authority, the accounting principles in the conceptual framework and the interpretations that are an integral part of them, and must implement them. Articles 514 to 528 and other relevant provisions of this Law are reserved.

(2) These regulations are determined and published only by the Public Oversight, Accounting and Auditing Standards Institution, in line with international standards, in order to ensure unity in practice and to make financial statements valid in international markets.

(3) The Public Oversight, Accounting and Auditing Standards Authority is authorized to set special and exceptional standards and make different regulations for different business sizes, sectors and non-profit organizations. These standards and regulations are considered part of the Turkish Accounting Standards.

(4) Institutions and boards established by law to regulate and supervise certain areas may make limited regulations regarding the standards that will be valid for their own fields, provided that they comply with the Turkish Accounting Standards.

(5) In cases where there is no provision in the Turkish Accounting Standards, considering the relevant field, the regulation regarding the details specified in the fourth paragraph, and if there is no provision in the relevant regulation, generally accepted accounting principles in international practice are applied.

SECTION SIX – Current Account

**A) Definition and shape**

**ARTICLE 89**-(1) The contract in which two persons can mutually refuse to claim their receivables arising from any legal reason or relationship one by one and separately, and convert them into item by item and debit, and demand the increased amount to be issued after the account is deducted is a current account contract.

(2) This contract shall not be valid unless made in writing.

**B) Provisions**

**I - in general**

**ARTICLE 90**-(1) Without prejudice to the provisions of the second paragraph of Article 134 and Article 143 of the Turkish Code of Obligations, the provisions of the current account agreement are as follows:

a) Unless otherwise agreed, debiting or debiting the current account does not reduce the parties' rights to litigation and defense regarding the contract or transaction that gave rise to the receivable or debt. If the contract or transaction is cancelled, the resulting items are removed from the account.

b) If a receivable that was born before the current account contract is concluded with the approval of the parties, this receipt will not be renewed unless otherwise agreed.

c) Registration of a commercial note to the current account is deemed to have been made on condition that it is valid if the price is taken.

d) After deducting the receivable and debt from each other at the end of each account cycle, the balance recognized or determined determined is transferred to the account as an item belonging to the new account circuit; If the contract has expired or the increased amount has been foreclosed, it must be paid.

e) For the amounts written in the credit column of the current account, interest accrues from the date they are registered, in accordance with the contract or commercial practices.

**II – Special cases**

**1. Commercial papers**

**ARTICLE 91**-(1) As stipulated in Article 90, the commercial deed written to the current account but whose price cannot be collected is returned to the owner and the record is deleted from the current account.

**2. Fees and expenses**

**ARTICLE 92**-(1) Existence of a current account agreement between the parties does not prevent the fee and all kinds of expenses arising from the commission agreement from being requested.

**3. Receivables out of account**

**ARTICLE 93**-(1) Non-exchangeable receivables and receivables arising from money and goods delivered to be spent for a specific purpose or to be kept ready for order cannot be transferred to the current account.

**III – Balance**

**1. Determination**

**ARTICLE 94**-(1) Pursuant to the contract or commercial practice, at the end of certain accounting periods, the circuit account is closed and the difference between credit and debit items is determined.

(2) If there is no contract or commercial practice regarding the account transfer, the last day of each calendar year is deemed to be the day of closing the account by the parties. If the party receiving the scale showing the determined increased amount has not made an objection through a notary public, registered letter, telegram or a letter containing a secure electronic signature within one month from the date of receipt, it is deemed to have accepted the balance.

**2. Interest**

**ARTICLE 95**– (1) In case of existence of the conditions in Article 8, interest accrues on the balance found as a result of subtracting credit and debit items from the date it is determined and recorded in the account; No application can be made that may lead to compound interest; A contract contrary to this provision cannot be foreseen.

**3. Compound interest and provisions that can be determined by contract**

**ARTICLE 96**-(1) The parties may decide to add the interest to the principal, starting from any time they wish, provided that they are not less than three months, and they may also determine the account periods and the amounts of interest and commissions by contract.

(2) The provisions of the second and third paragraphs of Article 8 are reserved.

**IV – Principle of integrity**

**ARTICLE 97**-(1) Credit and debit items transferred to the current account form an inseparable whole. Neither party can be considered a creditor or debtor before the current account is cut off. Only the termination of the account at the end of the contract determines the legal status of the parties.

**C) Termination of current account**

**I - in general**

**ARTICLE 98**-(1) Current account contract;

a) The expiry of the agreed period,

b) If a period of time is not agreed, one of the parties gives notice of termination,

c) Bankruptcy of one of the parties,

ends in.

**II – Conditions of death and disability**

**ARTICLE 99**-(1) If the contract is for a period of time and one of the parties dies or is restricted within this period, both parties and their legal representatives and successors may terminate the current account contract, provided that they give ten days' notice. However, the payment of the increased amount may be requested on the date when the account must be closed in accordance with Article 94.

**D) Foreclosure of the balance**

**ARTICLE 100**-(1) The account is closed on the day the creditor of one of the parties confiscates the increased amount belonging to it, and the increased amount is determined.

(2) In this case, if the party to whom the lien is notified due to its debt does not remove the lien within fifteen days, the other party may terminate the contract; If he does not, the situation of the person who has seized cannot be aggravated by adding new items to the current account. Unless, the items recorded in the account arise from a legal relationship that arose before the date of foreclosure.

(3) The creditor who has seized can only request the payment of the part that meets his/her receivables from the balance, only at the time when the account must be closed according to Article 94.

**E) Timeout**

**ARTICLE 101**-(1) Lawsuits related to the liquidation of the current account, the increased amount accepted or determined by a court decision, or interest receivables, errors and errors in calculations, items that should be excluded from the current account or that have been unfairly transferred to the current account or repeated entries, They become statute-barred five years after their expiration.

SECTION SEVEN – Agency

**A) in general**

**I – Definition**

**ARTICLE 102**-(1) Without having a legal position attached to the business such as a commercial agent, commercial agent, sales officer or employee of the enterprise, it is a profession to act as an intermediary in contracts that concern a commercial enterprise on a permanent basis in a certain place or region, or to make them on behalf of that trader. The person who acquires it is called an agent.

(2) In cases where there is no provision in this Section, the provisions of the brokerage agreement of the Turkish Code of Obligations, the commission provisions of the contracting agents, and the proxy provisions in cases where there is no provision in these, are applied.

(3) Special regulations regarding areas such as transportation, maritime trade, insurance and tourism are reserved.

**II – Field of application**

**ARTICLE 103**-(1) Without prejudice to the provisions of special laws, the provisions of this Part shall also apply to the following:

a) Those who are permanently authorized to conclude contracts on behalf of a local or foreign merchant and on their own behalf.

b) Those who carry out transactions in the country on behalf and on behalf of foreign traders who do not have a head office or branch in the Republic of Turkey.

**III – Exclusivity**

**ARTICLE 104**-(1) Unless otherwise agreed in writing, the client cannot appoint more than one agent for the same trade branch at the same time and within the same place or region, and the agent cannot act as an agency for the accounts of more than one commercial enterprise competing with each other in the same place or region.

**B) Agent's powers**

**I - in general**

**ARTICLE 105**-(1) The agency is authorized to make and accept all kinds of warnings, notices and protests, on behalf of its client, regarding the contracts it has brokered or made.

(2) Due to the disputes arising from these contracts, the agent may sue on behalf of his client, or a suit may be brought against him in the same capacity. Conditions contrary to this provision included in the contracts regarding those acting as agents on behalf of foreign traders are void.

(3) Decisions taken as a result of lawsuits to be filed in Turkey against persons on whose behalf and account the agencies act, cannot be applied to agencies.

**II – Cases that require special and written authorization**

**ARTICLE 106**-(1) The agent is not authorized to accept the price of the goods that he has not personally delivered and to take delivery of the goods that he has not personally paid for, and cannot renew or reduce the amount of the receivables arising from these transactions without the specific and written consent or power of attorney of his client.

**III – Authority to make contracts**

**ARTICLE 107**-(1) The agency is not authorized to make a contract on behalf of its client without obtaining a specific and written authorization.

(2) Documents that authorize agents to conclude contracts on behalf of their clients must be registered and announced by the agency.

**IV – Incompetence**

**ARTICLE 108**-(1) If the agent makes a contract on behalf of his client without his authority or by exceeding the limits of his authority, his client can give permission as soon as he gets the news; If not, the agency will be responsible for the contract itself.

**C) Agent's debts**

**I - in general**

**ARTICLE 109**-(1) The agency is obliged to see the affairs of its client and to protect its interests within the region and trade branch left to him pursuant to the contract.

(2) If the agency does not prove that it is faultless, it is especially responsible for the damages suffered by the goods or goods that it is keeping for the account of its client.

**II – Obligation to inform**

**ARTICLE 110**-(1) The agency is obliged to timely inform the third parties about the declarations that it is authorized to accept, the financial situation of the market and customers in its region, its conditions, the changes in them and all matters concerning the client regarding the transactions made.

(2) The agency may delay the transaction until it receives an order for matters that do not have clear instructions from the client. However, if the situation is not suitable for receiving instructions from the client due to the hasty nature of the work, or if the agency is authorized to act under the most beneficial conditions, he will act according to his own opinion, like a prudent merchant.

**III – Precautions**

**ARTICLE 111**-(1) If there are indications that the goods received by the agency for the account of their client were damaged during the transport, in order to secure the client's right of action against the carrier, to have the damage determined and to take other necessary measures, to protect the goods as much as possible or if there is a danger of it being destroyed completely, Pursuant to Article 108 of the Code of Obligations, he is obliged to have it sold with the permission of the competent court and to inform his client of the situation without delay. Otherwise, he will indemnify the damage caused by his negligence.

(2) If the goods sent to the agency for sale are perishable or subject to changes that will decrease their value, and if the time is not suitable for receiving instructions from the client or the client is delayed in giving permission, the agency is authorized to sell the goods with the permission of the competent court, pursuant to Article 108 of the Turkish Code of Obligations, and if the client's interests require it. mandatory.

**IV – Payment debt**

**ARTICLE 112**-(1) If the agent is obliged to send or deliver the money belonging to his client and does not do this, he is obliged to pay interest and, if necessary, give compensation from the date on which the obligation arises.

**D) Agent's rights**

**I – Fee**

**1. Transactions that qualify for fees**

**ARTICLE 113**-(1) The agency may charge a fee for transactions established with third parties, which it has brought in with its own efforts or for transactions of the same nature, during the continuation of the agency relationship. This fee right does not arise even if and to the extent that it belongs to the previous agent pursuant to the third paragraph.

(2) If a certain region or customer area is left to the agency, the agency may also charge a fee for transactions established with customers in this region or in the surrounding area during the continuation of the agency relationship. The second sentence of the first paragraph applies here as well.

(3) Agent for transactions established after the agency relationship ends;

a) If he has mediated the transaction or prepared the transaction to the extent that the execution of the transaction can be attributed to his own effort and the transaction has been established within a suitable period after the termination of the agency relationship,

b) If the third party's necessities reached the agent or client prior to the termination of the agency relationship, regarding a transaction for which a fee may be charged pursuant to the first sentences of the first or second paragraphs,

may charge a fee. If it is fair to share this fee according to the circumstances and conditions, the next agent also receives an appropriate share.

(4) The agency may also request a collection commission for the money collected in accordance with the client's instructions.

**2. Time to qualify for compensation**

**ARTICLE 114**-(1) The agency is entitled to a fee as soon as and to the extent the established transaction is fulfilled. The parties can change this rule with the agency agreement; however, when the client completes the transaction, the agent is entitled to an appropriate advance which can be requested on the last day of the following month. In any case, the agency is entitled to a fee when and to the extent that the third party fulfills the established transaction.

(2) If it becomes certain that the third party will not perform the transaction, the agent's right to fee is forfeited; paid amounts are refunded.

(3) Even if it is certain that the client will not fulfill the mediated contract partially or completely or as envisaged, the agent may request a fee. If and to the extent that the contract cannot be fulfilled due to reasons that cannot be attributed to the client, the agent's right to fee is deducted.

**3. The amount of the fee**

**ARTICLE 115**- (1) If there is no provision in the contract, the amount of the fee is determined by the commercial court of first instance in that place, according to the commercial custom in the place where the agency is located, and if there is no custom, according to the situation.

**4. Time to pay the fee**

**ARTICLE 116**-(1) The fee to which the agent is entitled must be paid within three months at the latest from the date of birth and in any case on the date of termination of the contract.

(2) If the agent requests information about all matters that are important in terms of fee demand, due and calculation, the client has to provide this information. In addition, the agency may request from its client to send copies of the ledger records regarding fee-related transactions. If the client refrains from giving a copy of the book, or if there are justified reasons to doubt the accuracy and completeness of the books, the agent can either examine the relevant parts of the commercial books and documents himself, or have them examined by an expert. If the client does not allow this, the court decides the issue in the most appropriate way.

(3) Any decision to the contrary of these provisions is invalid to the extent that it is against the agent.

**II – Covering extraordinary expenses**

**ARTICLE 117**-(1) The agency can only ask for extraordinary expenses to be paid for what it has done to fulfill its obligations.

**III – Right to demand interest**

**ARTICLE 118**-(1) The second sentence of the first paragraph of Article 20 shall apply to advances and extraordinary expenses.

**IV – Right to imprisonment**

**ARTICLE 119**- (1) The agent shall be imprisoned on movables and valuable papers and any goods that he can use through a promissory note representing any goods, which are in the possession of a third party, which he has received due to the agency agreement and continues to be in possession either by himself or for a special reason, until all his receivables from his client are paid. has the right.

(2) If the goods belonging to the client are sold by the agent in accordance with the contract or the law, the agent may avoid paying the price of these goods.

(3) If the client is incapacitated, the provisions of the first and second paragraphs shall also apply to the receivables of the agent that are not yet due.

(4) The provisions of the second paragraph of Article 950 and Articles 951 to 953 of the Turkish Civil Code are reserved.

**E) Client's debts**

**ARTICLE 120**-(1) Client, agent;

a) To issue documents related to the goods,

b) To notify of the matters required for the fulfillment of the agency agreement, and in particular that the business volume may be significantly lower than the agency would normally expect,

c) To notify within a reasonable period of time whether the agent accepts the work he has done or is not fulfilled,

d) To pay the fee that the agent is entitled to demand,

e) Pay interest on fees, advances and extraordinary expenses in accordance with the provisions of Article 20.

(2) Conditions contrary to this article are void to the extent that they are to the detriment of the agent.

**F) Termination of the agency agreement**

**I – Causes**

**ARTICLE 121**-(1) Each of the parties may terminate the agency agreement made for an indefinite period, provided that three months' notice is given. Even if the contract has been concluded for a certain period of time, it can always be terminated for justifiable reasons.

(2) If an agency agreement made for a certain period of time continues to be implemented after the expiry of the period, the contract becomes indefinite.

(3) In case of bankruptcy, death or restriction of the client or agent, the provision of Article 513 of the Turkish Code of Obligations shall apply.

(4) The party that terminates the contract without a just cause or without complying with the three-month notice period is obliged to compensate the other party for the loss due to the incompleteness of the works started.

(5) If the agency agreement is terminated due to the death, loss of competence or bankruptcy of the client or the agent, an appropriate compensation to be determined in proportion to the amount of the fee to be paid to the agent upon completion of the works shall be given to the agent or his successors according to the conditions specified in this article.

**II – Equalization prompt**

**ARTICLE 122**-(1)After the termination of the contractual relationship;

a) If the client gains significant benefits even after the termination of the contractual relationship, thanks to the new customers found by the agency,

b) If, as a result of the termination of the contractual relationship, the agency loses its right to demand the fee it would have earned if the contractual relationship had continued due to the works done or to be done with the customers brought into the business by it, and

c) When the features and conditions of the concrete case are evaluated, if the payment is in accordance with equity, the agent may request an appropriate compensation from the client.

(2) The compensation cannot exceed the average of the annual commission or other payments received by the agency as a result of the last five years of activity. If the contractual relationship has continued for a shorter period of time, the average during the continuation of the activity is taken as basis.

(3) If the agent has terminated the contract without the client's action to justify the termination, or if the contract has been terminated by the client for justifiable reasons due to the agent's fault, the agent cannot request equalization.

(4) The equalization request cannot be waived in advance. The right to demand equalization must be asserted within one year following the termination of the contractual relationship.

(5) Unless this provision violates equity, it shall also apply in the event of termination of permanent contractual relations with exclusive dealership and other similar monopoly rights.

**III – Non-compete agreement**

**ARTICLE 123**-(1) The agreement limiting the agency's activities related to its business after the termination of the contractual relationship must be made in writing and a document signed by the client, containing the provisions of the agreement, must be given to the agent. The agreement, at most, can be made for a period of two years from the end of the relationship and can only relate to the territory left to the agent, or to the clientele, and the issues related to the contracts he mediated. Due to the limitation of competition, the client must pay an appropriate compensation to the agent.

(2) The client may waive the application of the restriction of competition in writing until the termination of the contractual relationship. In this case, the client is relieved of his obligation to pay compensation after six months have passed from the declaration of waiver.

(3) If one of the parties terminates the contractual relationship for justifiable reasons due to the faulty behavior of the other party, it may notify the other party in writing that it is not bound by the competition contract within one month from the termination.

(4) Conditions contrary to this article are invalid to the extent that they are to the detriment of the agent.

BOOK TWO: Trading Companies

PART ONE – General Provisions

**A) Types**

**ARTICLE 124**-(1) Trading companies; It consists of collective, limited, joint stock, limited and cooperative companies.

(2) In this Law, collective and limited partnership company; joint stock, limited liability companies and limited partnerships whose capital is divided into shares are considered as capital companies.

**B) Legal personality and driver's license**

**ARTICLE 125**-(1) Commercial companies have legal personality.

(2) Trading companies may benefit from all rights and undertake debts within the framework of Article 48 of the Turkish Civil Code. Legal exceptions in this regard are reserved.

**C) Provisions of applicable law**

**ARTICLE 126**-(1) Without prejudice to the provisions specific to each company type, the general provisions of the Turkish Civil Code regarding legal persons and the provisions of the Turkish Code of Obligations regarding ordinary companies in matters not covered by this Section shall also apply to commercial companies to the extent that they are suitable for the nature of each company type.

**D) Capital investment debt**

**I – Subject**

**ARTICLE 127**-(1) As capital to commercial companies, unless otherwise provided in the law;

a) Money, receivables, valuable papers and shares of capital companies,

b) Intellectual property rights,

c) Movables and all kinds of immovables,

d) Benefit and usage rights of movable and immovables,

e) Personal labor,

f) Commercial reputation,

g) Commercial enterprises,

h) Rightly used transferable electronic media, domains, values ​​such as names and marks,

i) Mining licenses and other rights with economic value,

j) All kinds of transferable and cash value can be put.

(2) The provisions of the second paragraph of Article 307, the first paragraph of Article 342 and the first paragraph of Article 581 are reserved.

**II – Provision**

**1. In general**

**ARTICLE 128**-(1) Each partner is indebted to the company for the capital he has committed to put in a duly drawn up and signed company contract.

(2) If the immovables with the values ​​determined by the expert in the articles of association or the articles of association are annotated on the title deed, intellectual property rights and other values, if any, are recorded in their private registers in accordance with this provision, and movables are entrusted to a reliable person. Registration in the private registry removes goodwill.

(3) The provisions of the articles of association, which include the obligation to establish immovable property as capital or a real right existing or to be established on the immovable, are valid regardless of the official form.

(4) In case of borrowing for an economic value other than money or a movable asset as capital, the company may directly dispose of these as an owner from the moment it acquires legal personality.

(5) In case immovable property or other real right is invested as capital, registration in the land registry is required in order for the company to dispose of them.

(6) The request for registration of property and other real rights in the land registry and notifications regarding the registrations to be made to other registries are made ex officio and immediately by the trade registry manager. The company reserves the right to make a unilateral request.

(7) The company may request and sue each partner to fulfill its capital investment debt, as well as request compensation for the loss incurred due to delay in fulfillment. A notice is required for a claim for compensation. Partners can also file this lawsuit in sole proprietorships.

(8) In order to protect the rights committed by the partners to be invested as capital, precautionary measures may be requested by the founders against the partners. For lawsuits to be filed upon the measure, the period stipulated in the Code of Civil Procedure starts to run only from the date of registration and announcement of the company.

**2. Default interest**

**ARTICLE 129**-(1) If the unfulfilled capital is money, the default interest is also paid from the moment of registration of the company, provided that the right to compensation pursuant to Article 128 is not prejudiced and there is no provision in the articles of association or the articles of association on the contrary.

**3. Being responsible**

**ARTICLE 130**-(1) A partner who has transferred his receivables to the company as capital cannot be relieved of his capital investment debt unless the receivables have been collected by the company.

(2) If the receivable is not due, it must be collected by the company within one month from the due date, if it is due, from the date of the articles of association or the articles of association, unless otherwise agreed.

(3) If, for whatever reason, it cannot be collected within this period, the partner also pays the default interest for the days that will pass after the expiry of the period, provided that the company's right to compensation due to delay is not prejudiced.

(4) If the receivable is partially collected, the above provisions are valid for the uncollected portion.

**4. Presumptions**

**ARTICLE 131**-(1) The values ​​to be determined by the expert for the months set as capital shall be deemed to have been accepted by the relevant persons.

(2) Unless otherwise agreed in the articles of association or the articles of association, the ownership of the months put in as capital belongs to the company and the rights are transferred to the company.

(3) If it is decided that the fee to be paid in return for service will be partially or wholly paid by participating in the profit, this registration does not give the employees the title of partner.

**5. Right to receive interest and fees**

**ARTICLE 132**-(1) Unless there is a contrary provision in the laws, it can be accepted that the partners are paid interest for the capital they put in and fees for their services in the company with the articles of association.

**E) Personal creditors of partners**

**ARTICLE 133**-(1) As long as a sole proprietorship continues, the personal creditor of one of the partners can take his right from the dividends of that partner in accordance with the balance sheet of the company, and from the liquidation share if the company is dissolved. If the balance sheet has not been prepared yet, the creditor may place a lien on the profit and liquidation share that will fall on the debtor as a result of the arrangement of the balance sheet.

(2) In capital companies, in addition to receiving their receivables from the profit or liquidation share of that partner, the shares belonging to their debtors, whether bonded or not, are to be seized and liquidated in accordance with the provisions of the Execution and Bankruptcy Law dated 9/6/1932 and numbered 2004 regarding movables. they may want. The lien is recorded in the share ledger upon request.

(3) Apart from this, the creditors are also entitled to take their receivables from all commercial companies from the other receivables of the partner from the company and to have them foreclosed.

(4) The above provisions shall not prevent the creditors from applying for the debtor partners' properties outside the company.

**F) Merger, division and conversion**

**I – Field of application and concepts**

**1. Application area**

**ARTICLE 134**-(1) Articles 134 to 194 shall apply to mergers, divisions and conversions of commercial companies.

(2) The provisions of other laws that are not contrary to Articles 135 to 194 of this Law are reserved.

**2. Concepts**

**ARTICLE 135**-(1) In the implementation of Articles 134 to 194; “company” means trading companies; “partner” means the shareholders of joint stock companies, partners of limited liability companies and sole proprietorships and cooperatives; “partnership share” means the partnership share in sole proprietorships, the share in the joint stock company, the basic capital share in the limited liability company, the partnership share in the limited partnership whose capital is divided into shares; “general assembly” means the general assembly in joint stock companies, limited liability companies and limited partnerships and cooperatives, the board of shareholders in private companies and, if necessary, all of the partners; “management body” means the board of directors in joint stock companies and cooperatives, the manager or managers in limited companies, the manager in private companies and limited partnerships whose capital is divided into shares; “Company agreement” means the articles of association in joint stock companies, the articles of association in sole proprietorships and limited liability companies, and the articles of association in cooperatives.

(2) When determining small and medium-sized companies, the criteria stipulated in Article 1522 for sole proprietorships and Article 1523 for capital companies are applied.

**II – Merger**

**1. General provisions**

**a) Principle**

**ARTICLE 136**-(1)Companies;

a) Acquisition of one company by another, in technical terms “merger by acquisition” or

b) They may merge through their coming together in a new company, in technical terms “merger as a new organization”.

(2) In the application of Articles 136 to 158, the accepting company is called "transferee" and the participating company is called "assigned".

(3) A merger takes place when the shares of the transferee company are automatically acquired by the partners of the transferee company, based on an exchange rate, in return for the assets of the transferred company. The merger agreement may also envisage separation funds within the meaning of the second paragraph of Article 141.

(4) With the merger, the transferee company takes over the assets of the transferred company as a whole. The company transferred by the merger ends and is deleted from the trade registry.

**b) Valid mergers**

**ARTICLE 137**-(1) Capital companies;

a) With capital companies,

b) With cooperatives and

c) Provided that they are the transferee company, they can merge with collective and commandite companies.

(2) Sole proprietorships;

a) With sole proprietorships,

b) With capital companies, provided that they are the transferee company,

c) Provided that they are the transferee company, they can merge with cooperatives.

(3) Cooperatives;

a) With cooperatives,

b) With capital companies and

c) Provided that they are the transferee company, they can merge with sole proprietorships.

**c) Participation of a company in liquidation in the merger**

**ARTICLE 138**-(1) A company in liquidation may participate in the merger, provided that the distribution of its assets has not started and it is the transferred company.

(2)The existence of the conditions in the first paragraph is proved by the documents submitted to the trade registry directorate of the place where the headquarters of the transferee company is located.

**d) Participation in the merger in case of loss of capital or insolvent**

**ARTICLE 139**-(1) A company that has lost half of its capital and legal reserves due to losses or is in debt, may merge with a company that has freely disposable equity in an amount sufficient to cover the lost capital or, if necessary, insolvency.

(The documents proving that the condition in the first paragraph has been fulfilled must be submitted to the trade registry directorate of the place where the headquarters of the transferee company is located.

**2. Partnership shares and rights**

**a) Protection of partnership share and rights**

**ARTICLE 140**-(1) Shareholders of the transferee company have the right to claim the shares and rights of the transferee company at a value to meet the existing partnership shares and rights. This right of claim is calculated by taking into account the value of the assets of the companies participating in the merger, the distribution of voting rights and other important issues.

(2) While determining the exchange rates of the partnership shares, an equalization payment may be envisaged, provided that it does not exceed one tenth of the actual value of the partnership shares allocated to the partners of the transferred company.

(3) Shares with the same value, without voting or voting rights, are given to the shareholders of the transferred company who have non-voting shares.

(4) In return for the privilege rights attached to the existing shares in the transferee company, equivalent rights in the transferee company or a suitable provision are given.

(5) The transferee company is obliged to grant equal rights to the shareholders of the transferee company or to purchase the redeemed shares at their actual value on the date of the merger agreement.

**b) Separation fund**

**ARTICLE 141**-(1) Companies participating in the merger may, in the merger agreement, give the partners the right to choose between the acquisition of share and partnership rights in the transferee company and a withdrawal fund corresponding to the actual value of the company shares to be acquired.

(2)Companies participating in the merger may stipulate in the merger agreement that only the withdrawal fund is to be paid.

**3. Capital increase, new establishment and interim balance sheet**

**a) Capital increase**

**ARTICLE 142**-(1) In merger by takeover, the acquiring company has to increase its capital at the level necessary to protect the rights of the shareholders of the transferred company.

(2) In a merger, the regulations regarding the capital in kind and the provisions regarding the public offering of new shares in publicly held joint stock companies, with the exception of those related to their registration with the Capital Markets Board, are not applicable.

**b) New establishment**

**ARTICLE 143**-(1) In the merger by way of new establishment, the articles of this Law and the Cooperatives Law dated 24/4/1969 and numbered 1163, excluding the provisions regarding the capital in kind and the minimum number of partners, are applied to the establishment of the new company.

**c) Interim balance sheet**

**ARTICLE 144**-(1) If more than six months have passed between the signing date of the merger agreement and the balance sheet date, or if significant changes have occurred in the assets of the companies participating in the merger after the final balance sheet is issued, the companies participating in the merger are obliged to issue an interim balance sheet.

(2) Provided that the following provisions are reserved, the provisions and principles regarding the annual balance sheet are applied to the interim balance sheet. For the interim balance sheet;

a) It is not necessary to take a physical inventory;

b) Valuations accepted in the final balance sheet are changed only to the extent of transactions in the commercial ledger; Depreciations, value adjustments and provisions, and significant changes in value for the business that are not recognized from the commercial books are also taken into account.

**4. Merger agreement and merger report (1)**

**a) Merger agreement**

**aa) Making the merger agreement**

**ARTICLE 145**- (1) The merger agreement is made in writing. The contract is signed by the management bodies of the companies participating in the merger and approved by the general assemblies.

**bb) Content of the merger agreement**

**ARTICLE 146**-(1) of the merger agreement;

a) Trade names, legal types, headquarters of the companies participating in the merger; in case of merger with a new establishment, the type, trade name and headquarters of the new company,

b) The exchange rate of the company shares, the equalization amount if foreseen; Statements of the shareholders of the transferee company regarding their shares and rights in the transferee company,

c) Rights granted by the transferee company to the holders of privileged and non-voting shares and to the holders of usufruct shares,

d) The way the company shares are changed,

e) The date on which the shares acquired through the merger are entitled to the balance sheet profit of the acquiring or newly established company and all the features related to this claim,

f) If necessary, the withdrawal fund pursuant to Article 141,

g) The date on which the transferee company's transactions and actions will be deemed to have been made for the transferee company's account,

h) Special benefits granted to management bodies and managing partners,

i) If necessary, it is mandatory to include the names of the partners with unlimited liability.

**b) Merger report**

**ARTICLE 147**-(1) The managing bodies of the companies participating in the merger, separately or together, prepare a report on the merger.

(2) In the report;

a) Purpose and results of the merger,

b) Merger agreement,

c) The rate of change of the company's shares and, if foreseen, the equalization fund; partnership rights granted to the partners of the transferee companies by the transferee company,

d) If necessary, the amount of the retirement fund and the reasons for giving the retirement fund instead of the company share and partnership rights,

e) Features regarding the valuation of shares in terms of determining the exchange rate,

f) The amount of the increase to be made by the transferee company, if necessary,

g) If foreseen, information about additional payment and other personal performance obligations and personal responsibilities that will be imposed on the partners of the transferred company due to the merger,

h) In the merger of companies of different types, the liabilities of the partners due to the new type,

i) The effects of the merger on the workers of the companies participating in the merger and, if possible, the content of a social plan,

j) The effects of the merger on the creditors of the companies participating in the merger,

k) Approvals from relevant authorities, if necessary,

It is explained in terms of legal and economic aspects and its justifications are stated.

(3) In the merger by means of a new establishment, it is obligatory to include the contract of the new company in the merger report.

(4) If all partners approve, small and medium-sized companies may abandon the preparation of the merger report. (1)

**c) Audit of merger agreement and merger report**

**ARTICLE 148**-**(Mülga: 26/6/2012-6335/43 md.)**

**5. Right of inspection and changes in assets**

**a) Right to review**

**ARTICLE 149**- (1) Each of the companies participating in the merger, at their headquarters and branches, and if public joint stock companies are to be determined by the Capital Markets Board, within thirty days before the general assembly decision;

a) Merger agreement,

b) Merger report,

c) **(Mülga: 26/6/2012-6335/43 md.)**

d) It is obliged to submit the year-end financial statements and annual activity reports of the last three years, the interim balance sheets, if necessary, the shareholders, the holders of usufruct shares, the holders of securities issued by the company, the persons with interests and other interested parties. These are also published on the websites of the relevant capital companies.

(2) The partners and the persons listed in the first paragraph may request that copies of the documents mentioned in the same paragraph and their printed versions, if any, be given to them. They cannot be demanded for any price or expense.

(3) Each of the companies participating in the merger indicates the right to make an examination in the advertisement published in the Turkish Trade Registry Gazette and also on the internet sites.

(4) Each company participating in the merger shall announce where the documents mentioned in the first paragraph are deposited and where they are kept ready for examination, at least three working days before the deposit, in the Turkish Trade Registry Gazette and in the newspapers stipulated in the articles of association, and on the websites of capital companies.

(5) If all partners approve, small and medium-sized companies may waive the exercise of the right to inspect.

**b) Information on changes in assets**

**ARTICLE 150**-(1) If a significant change has occurred in the assets or liabilities of one of the companies participating in the merger between the date of signing the merger agreement and the date this agreement will be submitted for approval at the general assembly, the management body shall notify this situation in writing to its own general assembly and to the management bodies of other companies participating in the merger. .

(2) The governing bodies of all companies participating in the merger examine whether there is a need to amend the merger agreement or to abandon the merger in this case; if they reach such a conclusion, the proposal to submit it for approval is withdrawn. Otherwise, the managing body explains at the general assembly the reason that there is no need for adaptation in the merger agreement.

**c) Merger decision**

**ARTICLE 151**-(1) The governing body presents the merger agreement to the general assembly. Merger agreement in the general assembly;

a) With three-quarters of the votes present at the general assembly, provided that it represents the majority of the main or issued capital, in joint stock companies and limited partnerships whose capital is divided into shares, without prejudice to subparagraph (b) of the fifth paragraph of Article 421 of this Law,

b) In capital companies to be taken over by a cooperative, with three-quarters of the votes present in the general assembly, provided that it represents the majority of the capital,

c) With the votes of three-quarters of all partners, provided that they hold shares representing at least three-quarters of the capital in limited liability companies,

d) In cooperatives, with a majority of two-thirds of the votes cast; If additional payment and other performance obligations or unlimited liability are accepted in the articles of association or if they exist but are expanded, it must be approved by the decision of three-quarters of all members registered in the cooperative.

(2) For collective and limited partnership companies, the merger agreement must be unanimously approved. However, it may be stipulated in the articles of association that the merger agreement be approved by the decision of three-quarters of all partners.

(3) In the event that a limited partnership whose capital is divided into shares acquires another company, in addition to the quorum in subparagraph (a) of the first paragraph, all of the limited partnerships must approve the merger in writing.

(4) In a joint stock company that has been taken over by a limited liability company and its capital is divided into shares, if additional liabilities and personal performance obligations are envisaged by the takeover, or if these are already present and expanded, the unanimity of all partners is required.

(5) If the merger agreement provides for a withdrawal fund, it must be approved by the affirmative votes of the shareholders holding voting rights if the transferor company is a sole proprietorship, and by ninety percent of the existing voting rights in the company if it is a capital company.

(6) If a change in the operating subject of the transferred company is foreseen in the merger agreement, the merger agreement must also be approved with the required quorum for the change of the company agreement.

**6. Provisions regarding finalization**

**a) Registration in the trade registry**

**ARTICLE 152**-(1) As soon as the merger decision is taken by the companies participating in the merger, the management bodies apply to the trade registry for the registration of the merger.

(2) If the transferee company has increased its capital as a requirement of the merger, additional amendments to the articles of association are submitted to the trade registry.

(3) The transferred company is dissolved upon registration of the merger in the trade registry.

**b) Legal consequences**

**ARTICLE 153**-(1) The merger becomes valid upon registration of the merger in the trade registry. At the time of registration, all assets and liabilities of the transferred company automatically pass to the transferee company.

(2) The partners of the transferee company become the partners of the transferee company. However, this result does not arise for the shares held by the person acting on behalf of the transferee company but on behalf of this company, and the shares held by the person acting on behalf of the transferee company but on behalf of this company.

(3) The provisions of the Law on the Protection of Competition dated 7/12/1994 and numbered 4054 are reserved.

**c) Announcement**

**ARTICLE 154**-(1) Merger decision is announced in the Turkish Trade Registry Gazette.

**7. Facilitated merger of capital companies**

**a) Application area**

**ARTICLE 155**-(1) a) All shares of the transferee capital company giving voting rights, or

b) A company or a real person or groups of persons bound by law or contract, to all shares of capital companies participating in the merger, giving voting rights,

capital companies can merge in accordance with the facilitated order.

(2) For the minority shareholders, if the transferee capital company owns at least ninety percent of the shares giving the right to vote, not all the shares of the transferred capital company;

a) Granting shares equivalent to these shares in the transferee company, in addition to the company shares, it is proposed to give a cash equivalent of the actual value of the company's shares in accordance with Article 141, and

b) No additional payment debt or any personal performance obligation or personal responsibility arising from the merger,

merger may take place in a facilitated manner.

**b) Conveniences**

**ARTICLE 156**-(1) Capital companies participating in the merger and complying with the conditions stipulated in the first paragraph of Article 155, shall include the records indicated in subparagraphs (a) and (f) to (i) of the first paragraph of Article 146 in the merger agreement. These capital companies are not obliged to issue the merger report stipulated in Article 147 and to provide the right to review stipulated in Article 149, and they may not submit the merger agreement to the approval of the general assembly in accordance with Article 151.

(2) Capital companies participating in the merger and complying with the conditions set forth in the second paragraph of Article 155, shall include only the records indicated in subparagraphs (a), (b) and (f) to (i) of the second paragraph of Article 147 in the merger agreement. These companies are also not obliged to prepare the merger report stipulated in Article 147 and to present the merger agreement to the general assembly in accordance with Article 151. The inspection right stipulated in Article 149 must have been granted thirty days before the application made to the trade registry for the registration of the merger.

**8. Protection of creditors and employees**

**a) Guaranteeing the receivables**

**ARTICLE 157**-(1) If the creditors of the companies participating in the merger make a request within three months from the legal validity of the merger, the transferee company will secure their receivables.

(2)**(Değişik: 26/6/2012-6335/12 md.)**Companies participating in the merger; They notify their creditors of their rights through advertisements to be made three times at seven-day intervals in the Turkish Trade Registry Gazette, and also through an advertisement to be placed on their website.

(3)**(Mülga: 26/6/2012-6335/12 md.)**

(4) If it is understood that other creditors will not suffer any loss, the liable company may pay the debt instead of providing a guarantee.

**b) Personal responsibilities of partners and passing of business relationships**

**ARTICLE 158**-(1) The responsibilities of the partners who were responsible for the debts of the transferred company before the merger continue after the merger. Provided that these debts must have arisen before the announcement of the merger decision or the reasons giving rise to the debts must have occurred before this date.

(2) Claims regarding the personal liability of the partners arising from the debts of the transferred company become time-barred three years after the announcement of the merger decision. If the receivable becomes due after the date of announcement, the statute of limitations starts from the date of due date. This limitation does not apply to the liabilities of the partners who are personally liable for the debts of the acquiring company.

(3) Liability for bonds and other debt instruments offered to the public continues until the date of redemption; unless the prospectus contains another arrangement.

(4) The provision of Article 178 applies to business relations.

**III – Division**

**1. General provisions**

**a) Principle**

**ARTICLE 159**-(1) A company can be split completely or partially.

a) In full division, all assets of the company are divided into sections and transferred to other companies. The partners of the demerged company acquire the shares and rights of the acquiring companies. The fully divided and transferred company ends and its title is deleted from the trade registry.

11014

b) In partial division, one or more parts of a company's assets are transferred to other companies. The partners of the demerged company acquire the shares and rights of the acquiring companies or the demerged company acquires the shares and rights in the acquiring companies in return for the transferred assets divisions and forms its subsidiary company.

**b) Valid divisions**

**ARTICLE 160**-(1) Capital companies and cooperatives can be divided into capital companies and cooperatives.

**c) Protection of company shares and rights**

**ARTICLE 161**-(1) Company shares and rights are protected in accordance with Article 140 in full and partial division.

(2) To the partners of the transferor company;

a) Company shares in proportion to their current shares in all companies participating in the division, or

b) In some or all companies participating in the division, company shares at different rates according to the ratio of their existing shares,

can be allocated. The division in clause (a) is "the proportions are preserved", and the division in clause (b) is "the division in which the ratios are not preserved".

**2. Provisions regarding the implementation of the division**

**a) Reduction of capital**

**ARTICLE 162**-(1) In case the capital of the transferor company is decreased due to division, articles 473, 474 and 592 of this Law and articles 98 and 473 of this Law are not applied based on article 474 of the Cooperatives Law in cooperatives.

**b) Capital increase**

**ARTICLE 163**-(1) The transferee company increases its capital in an amount that will protect the rights of the partners of the transferor company.

(2) In the division, the provisions regarding the capital in kind do not apply. Due to the division, even if it is not available in the registered capital system, the capital can be increased without changing the ceiling.

**c) New establishment**

**ARTICLE 164**-(1) This Law and the provisions of the Cooperatives Law regarding the establishment of a new company within the framework of the division are applied. In the establishment of capital companies, the provisions regarding the minimum number of founders and capital in kind do not apply.

**d) Interim balance sheet**

**ARTICLE 165**-(1) An interim balance sheet is prepared if there is more than six months between the balance sheet date and the signing of the division agreement or the date of drawing up the division plan, or if significant changes have occurred in the assets of the companies participating in the division since the last balance sheet was issued.

(2) Without prejudice to the provisions stipulated in subparagraphs (a) and (b) of this paragraph, the provisions and standards pertaining to the annual balance sheet are applied to the interim balance sheet. For the interim balance sheet;

a) It is not necessary to take a physical inventory.

b) Valuations accepted in the final balance sheet are changed only to the extent of movements in the commercial books; Depreciations, value adjustments and provisions, and significant changes in value for the business that are not recognized from the commercial books are also taken into account.

11015

**3. The right to examine the division documents (1)**

**a) Division agreement and division plan**

**aa) in general**

**ARTICLE 166**-(1) If a company is to transfer parts of its assets to existing companies through division, a division agreement is made by the management bodies of the companies participating in the division.

(2) If a company is to transfer parts of its assets to companies to be established, through division, the management body draws up a division plan.

(3) Both the division agreement and the division plan must be made in writing and approved by the general assembly in accordance with the provisions of Article 173.

**bb) Content of the division agreement and division plan**

**ARTICLE 167**-(1) Partition contract and division plan in particular;

a) Trade names, headquarters and types of companies participating in the division,

b) Segmentation and allocation of assets and liabilities for transfer purposes; by clear definition, the inventory of these sections; the list showing the immovables, valuable papers and intangible assets one by one,

c) The exchange rate of the shares and the equalization amount to be paid when necessary, and the explanations of the partners of the transferor company regarding the partnership rights in the transferee company,

d) The transferee company; usufruct shares, shares without voting rights and the rights allocated to special right holders,

e) Exchange styles of company shares,

f) From what date the company shares will be entitled to the balance sheet profit and the characteristics of this right of claim,

g) The date on which the transactions of the transferor company are deemed to have been made for the account of the transferor company,

h) Special benefits granted to members of management bodies, managers, persons with management rights and auditors,

i) The list of business relations transferred to the acquiring companies as a result of the division,

It contains.

**b) Assets outside the division**

**ARTICLE 168**-(1) On assets not allocated in the division agreement or division plan;

a) In a full spin-off, the shareholding right falls to all the acquiring companies according to the ratio of the net assets transferred to them according to the spin-off agreement or plan.

b) In the case of partial division, the assets in question remain with the transferor company.

(2) The provision of the first paragraph is also applied to receivables and intangible property rights by analogy.

(3) Companies participating in a full spin-off are jointly liable for debts not allocated to any company according to the spin-off agreement or spin-off plan.

**c) Division report**

**aa) Content**

**ARTICLE 169**-(1) Management bodies of companies participating in the division prepare separate reports on the division; joint report is also valid.

(2)Report;

a) The purpose and results of the division,

b) Division agreement or division plan,

c) The exchange rates of the shares and the equalization amount to be paid when necessary, especially the explanations of the shareholders of the transferor company regarding their rights in the transferee company,

d) Characteristics of the valuation of shares in determining the exchange rate,

e) If necessary, additional payment obligations, other personal performance obligations and unlimited liability that will arise for the partners due to the division,

f) In case the types of companies participating in the division are different, the liabilities of the partners due to the new type,

g) The effects of the division on workers and its content; the content of the social plan, if any,

h) The effects of the demerger on the creditors of the companies participating in the demerger,

explains its legal and economic aspects and shows its reasons.

(3) In case of the existence of a new establishment, the contract of the new company is added to the division plan.

(4) If all partners approve, small and medium-sized companies may abandon the preparation of the division report. (1)

**bb) Auditing the division contract or division plan and division report**

**ARTICLE 170**-**(Mülga: 26/6/2012-6335/43 md.)**

**d) Right to review**

**ARTICLE 171**-(1) Each of the companies participating in the division, two months before the decision of the general assembly, at their headquarters, publicly held joint stock companies and also in places deemed appropriate by the Capital Markets Board;

a) Division contract or division plan,

b) Division report,

c) **(Mülga: 26/6/2012-6335/43 md.)**

d) Financial statements and annual reports of the last three years and interim balance sheets, if any,

submits it to the examination of the partners of the companies participating in the division.

(2) In case all partners approve, small and medium-sized companies may waive the right of inspection stipulated in the first paragraph. (1)

(3) The partners may request from the companies participating in the division to be given copies of the documents listed in the first paragraph. No fee or any other expense can be demanded for the copies.

(4) Each of the companies participating in the division shall publish an advertisement in the Turkish Trade Registry Gazette, and on the internet site of the capital companies, indicating their right to make an examination.

**e) Information on changes in assets**

**ARTICLE 172**-(1) Article 150 is applied by analogy to the changes in the assets of the companies participating in the division.

**4. Division decision**

**ARTICLE 173**-(1) After the guarantee stipulated in Article 175 is provided, the management bodies of the companies participating in the division present the division agreement or division plan to the general assembly.

(2) The approval decision is taken in accordance with the quorums stipulated in the first, third, fourth and sixth paragraphs of Article 151.

(3) In the division where the ratio is not preserved, the approval decision is taken by at least ninety percent of the shareholders who have the right to vote in the transferring company.

**5. Provisions on protection**

**a) Protection of creditors**

**aa) Call**

**ARTICLE 174**-(1) Creditors of companies participating in the demerger, in the Turkish Trade Registry Gazette, (…) (1) They are called upon to declare their receivables and make a request for a guarantee, by means of an announcement to be made three times at seven-day intervals, and also by an announcement to be placed on the website of capital companies. (1)

**bb) Guaranteeing the receivables**

**ARTICLE 175**-(1) Companies participating in the demerger are obliged to secure the receivables of the claimants within three months following the publication of the announcements stipulated in Article 174.

(2) In case of proof that the receivables of the creditors are not endangered by the division, the obligation of securing is eliminated.

(3) In case it is understood that other creditors will not suffer any loss, the company may pay the debt instead of providing collateral.

**b) Liability**

**aa) Subsidiary liability of the companies participating in the division**

**ARTICLE 176**-(1) If the company to which debt has been allocated by the division agreement or division plan, and thus the company that is primarily responsible, does not perform the receivables of the creditors, the other companies participating in the division, the companies with secondary responsibility, shall be jointly and severally liable.

(2) In order for companies with secondary responsibility to be followed up, the company whose receivables are not guaranteed and which is primarily responsible;

a) Bankrupt,

b) It has taken the concordat period,

c) Conditions for obtaining a final certificate of insolvency in an enforcement proceeding against him have arisen,

d) Its head office has moved abroad and is no longer traceable in Turkey, or

e) The location of its headquarters abroad has been changed and therefore its legal follow-up has become significantly more difficult.

**bb) Personal liability of partners**

**ARTICLE 177**-(1) The provisions of Article 158 shall apply to the personal responsibilities of the partners.

**6. The passing of business relations**

**ARTICLE 178**- (1) In full or partial division, the service contracts made with the workers pass to the transferee with all the rights and debts arising from this contract until the transfer day, unless the worker objects.

(2) If the worker objects, the service contract expires at the end of the statutory dismissal period; the transferee and the worker are obliged to fulfill the contract until that date.

(3) The former employer and the transferee are jointly liable for the receivables of the worker due before the division and the receivables due during the period until the service contract normally expires or ends due to the worker's objection.

(4) Unless otherwise agreed or the situation is clear, the employer cannot transfer the rights arising from the service contract to a third party.

(5) Workers may request that their due and due receivables be secured as stipulated in the first paragraph.

(6) The partners of the transferor company, who are responsible for the debts of the company before the division, are jointly and severally liable for debts arising from the service contract and due until the date of transfer, debts that would have become due if the service contract had normally expired or that would have arisen until the end of the service contract due to the employee's objection. They continue to be responsible.

**7. Registration in the trade registry and validity**

**ARTICLE 179**-(1) When the division is approved, the governing body requests the registration of the division.

(2) If the capital of the transferor company is required to be reduced due to a partial division, the relevant amendment of the articles of association is also registered.

(3) In case of full division, the transferring company is dissolved upon registration in the trade registry.

(4) The division becomes valid upon registration in the trade registry. At the time of registration, all assets and liabilities in the inventory pass to the transferee companies.

**IV – Type change**

**1. General provisions**

**a) Principle**

**ARTICLE 180**-(1) A company can change its legal form. The converted company is a continuation of the old one.

**b) Valid type substitutions**

**ARTICLE 181-**(1)a) A capital company;

1. To another type of capital company;

2. To a cooperative;

b) a collective company;

1. To a capital company;

2. To a cooperative;

3. To a limited partnership;

c) a limited partnership;

1. To a capital company;

2. To a cooperative;

3. To a collective company;

d) A cooperative can turn into a capital company.

**c) Special regulation regarding the change of type of collective and limited partnership companies**

**ARTICLE 182 -**(1) A limited liability company to a limited partnership;

a) The entry of a limited liability company into the collective company,

b) If a partner is limited, it can be transformed.

(2) A limited liability company to a limited liability company;

a) All commandiers leave the company,

b) It can be transformed by the fact that all commandites are limited.

(3) The provision of Article 257 regarding the continuation of a collective or commandite company as a sole proprietorship is reserved.

(4) The provisions of Articles 180 to 190 shall not be applied to the type changes to be made pursuant to this Article.

**2. Protection of company share and rights**

**ARTICLE 183-**(1) The company shares and rights of the partners are protected in the change of type. Shares of equal value or shares with voting rights are given to the holders of the shares lacking voting rights.

(2) In return for the privileged shares, shares of the same value are given or an appropriate compensation is paid.

(3) Rights of equal value are given in exchange for redeemed shares, or the actual value is paid on the date the conversion plan is drawn up.

**3. Establishment and interim balance sheet**

**ARTICLE 184**-(1) In changing the species, the provisions regarding the establishment of the new species are applied; However, in capital companies, the provisions regarding the minimum number of shareholders, the capital in kind and the signing of the articles of association by the founders are not applied.

(2) If more than six months have passed between the balance sheet date and the date of issue of the conversion report, or if significant changes have occurred in the assets of the company since the last balance sheet is issued, an interim balance sheet is prepared.

(3) Provided that the following provisions are reserved, the provisions and principles regarding the annual balance sheet are applied to the interim balance sheet. For the interim balance sheet;

a) It is not necessary to take a physical inventory;

b) Valuations accepted in the final balance sheet are changed only to the extent of transactions in the commercial ledger; Depreciations, value adjustments and provisions, and significant changes in value for the business that are not recognized from the commercial books are also taken into account.

**4. Type change plan**

**ARTICLE 185**– (1) The governing body draws up a type of change plan. The plan is subject to written form and the approval of the general assembly in accordance with Article 189. Type change plan;

a) The trade name of the company before and after the change of type, its headquarters and the phrase related to the new type,

b) Company contract of the new type,

c) It includes the number, type and amount of shares that the partners will have after the conversion or the explanations regarding the shares of the partners after the conversion.

**5. Type change report**

**ARTICLE 186**-(1) The governing body prepares a written report on conversion.

(2) In the report;

a) The purpose and consequences of conversion,

b) The establishment provisions regarding the new species have been fulfilled,

c) New company contract,

d) The rate of change regarding the shares to be owned by the partners after the conversion,

e) Additional payment and other personal performance obligations and personal responsibilities, if any, related to the partners, arising from the change of type,

f) Obligations arising from the new type for the partners

It is explained legally and economically and its justifications are shown.

(3) If all partners approve, small and medium-sized companies may abandon the preparation of the type conversion report. (1)

**6. Checking the conversion plan and the conversion report**

**ARTICLE 187**-**(Mülga: 26/6/2012-6335/43 md.)**

**7. Right to review**

**ARTICLE 188 -**(1) The company;

a) Type conversion plan,

b) Type conversion report,

c) **(Mülga: 26/6/2012-6335/43 md.)**

d) Financial statements of the last three years, interim balance sheet, if any,

thirty days before the decision is taken at the general assembly, it submits it to the examination of the partners at its headquarters and in public joint stock companies at places requested by the Capital Markets Board.

(2) Copies of the aforementioned documents are given free of charge to the partners upon request. The company informs the partners that they have the right to review appropriately.

**8. Decision to change species and registration**

**ARTICLE 189**-(1) The management body presents the type change plan and the company contract of the new type to the general assembly. The type change decision is taken with the following quorums: (2)

a) With two-thirds of the votes present in the general assembly, provided that two-thirds of the basic or issued capital is met in joint stock companies and limited partnerships whose capital is divided into shares, provided that the provision of sub-paragraph (b) of the fifth paragraph of Article 421 of the Law is reserved; In case of conversion to a limited liability company, if additional payment or personal performance liability will arise, with the approval of all partners;

b) In case a capital company turns into a cooperative, with the approval of all the partners;

c) In limited liability companies, by the decision of three-quarters of the partners, provided that they own at least three-quarters of the capital;

d) In cooperatives;

1. With the majority of the votes available in the general assembly, provided that at least two thirds of the partners are represented,

2. If additional payment, other personal performance obligations or personal liability are brought or these obligations or responsibilities are expanded, by the affirmative votes of two-thirds of the registered members of the cooperative,

e) In collective and limited partnership companies, the type change plan is approved unanimously by all partners. However, it may be stipulated in the articles of association that this decision can be taken with the affirmative vote of two-thirds of all the partners.

(2) The governing body registers the conversion and the contract of the new company. Type change gains legal validity with registration. The decision to change the type is announced in the Turkish Trade Registry Gazette.

**9. Protection of creditors and employees**

**ARTICLE 190**-(1) Article 158 shall apply to the personal responsibilities of the partners and Article 178 shall apply to the debts arising from employment contracts.

**V – Common provisions**

**1. Examination of partnership shares and partnership rights**

**ARTICLE 191-**(1) In case the partnership shares and partnership rights have not been properly protected in merger, demerger and type change or the provision for separation has not been determined appropriately, each partner shall, within two months from the announcement of the merger, division or conversion decision in the Turkish Trade Registry Gazette, to one of the companies participating in the said transactions. may request the determination of an appropriate equalization money from the commercial court of first instance in the place where its head office is located. The second paragraph of Article 140 shall not be applied in determining the equalization amount.

(2) If they are in the same legal situation as the plaintiff, the court decision shall also apply to all the partners of the companies participating in the merger, division or conversion.

(3) The expenses of the case belong to the transferee company. In case special circumstances justify, the court costs may be partially or completely borne by the plaintiff.

(4) The case for examining the protection of partnership shares or partnership rights does not affect the validity of the merger, division or change of type decision.

**2. Cancellation of merger, division and conversion and consequences of deficiencies**

**ARTICLE 192**-(1) Shareholders of companies participating in the merger, demerger or conversion, who have not voted positively for the merger, division and conversion decision in violation of Articles 134 to 190 and have recorded it in the minutes; they can file an action for annulment within two months following the announcement of this decision in the Turkish Trade Registry Gazette. In cases where the announcement is not required, the period starts from the date of registration.

(2) If the decision is taken by a governing body, this lawsuit may also be filed.

(3) In case of any defect in transactions related to merger, division and conversion, the court gives time to the parties to remedy it. If the legal disability cannot be remedied or not resolved within the given time, the court cancels the decision and takes the necessary measures.

**3. Responsibility**

**ARTICLE 193**-(1) All persons who have participated in mergers, divisions or conversions in any way are liable to companies, partners and creditors for the damages they have caused through their faults. The responsibilities of the founders are reserved.

(2)**(Mülga: 26/6/2012-6335/43 md.)**

(3) The provisions of Articles 202 to 208, 555, 557, 560 are reserved. In case of bankruptcy of a capital company or cooperative, Articles 556 and 570 and Article 98 of the Cooperatives Law are applied by analogy.

**VI – Merger and conversion related to commercial enterprise**

**ARTICLE 194**-(1) A commercial enterprise may merge with a trading company by being taken over by it. In this case, the provisions of Articles 138 to 140, 142 to 158 and articles 191 to 193 regarding common provisions are applied by analogy, depending on the type of the acquiring trading company.

(2) In the event that a commercial enterprise turns into a commercial company, Articles 182 to 193 may be applied by analogy.

(3) In order for a commercial company to be transformed into a commercial enterprise, all of the shares of the said commercial company must be taken over by the person or persons who will operate the commercial enterprise, and the commercial enterprise must be registered and announced in the trade registry on behalf of such person or persons. In this case, if the trading company converted into a commercial enterprise is a collective or commandite company, the person and persons who will operate the commercial enterprise and the former partners of the commercial company shall be jointly and severally liable according to their titles during the statute of limitations in Article 264. Articles 264 to 266 of this Law are also applied to the conversion.

(4)182. The provision of the third paragraph of the article is reserved.

**G) Group of companies**

**I – Controller and subsidiary**

**ARTICLE 195**– (1) a) A trading company, another trading company, directly or indirectly;

1. Has a majority of the voting rights, or

2. In accordance with the articles of association, if it has the right to elect a number of members constituting the majority that can take decisions in the management body, or

3. In addition to its own voting rights, based on a contract, alone or together with other shareholders or partners, it constitutes the majority of the voting rights,

b) If a trading company can control another trading company pursuant to a contract or by any other means,

The first company is the controlling company and the other is the subsidiary company. If at least one of these companies is headquartered in Turkey, the provisions regarding the group of companies in this Law are applied.

(2) Except for the cases stipulated in the first paragraph, it is presumed that the dominance of the first company exists if a trading company has the majority of the shares of another trading company or the shares that can take the decisions that can manage it.

(3) Domination of another company by a controlling company through one or more subsidiaries is indirect domination.

(4) Companies that are directly or indirectly affiliated with the controlling company form the group of companies together with it. Dominant companies are parent companies, subsidiaries are subsidiaries.

(5) In case the judge of the group of companies is an enterprise whose head office or settlement is located in the country or abroad, the provisions of Articles 195 to 209 and the provisions regarding the group of companies in this Law shall apply. The dominant undertaking is considered a merchant. Provisions regarding consolidated statements are reserved.

(6) In the application of the provisions regarding the group of companies, the term "board of directors" means the managers in limited companies, managers in limited partnerships and sole proprietorships, the management body in other legal entities, and the real person in real persons.

**II – Calculation of share and vote ratios**

**ARTICLE 196**– (1) The percentage of a trading company's participation in a capital company is found by dividing its share or the sum of the nominal values ​​of the shares in that capital company to the capital of the participating company. The shares of the third parties, which are taken both by the capital company and for its own account, are deducted from the main or issued capital of that company in the calculation.

(2) The percentage of a trading company's voting rights in a capital company is calculated by dividing the total of the voting rights that can be exercised arising from the shares of the trading company in that capital company to the total of all the available voting rights in the capital company. In the calculation, the voting rights arising from the shares held by the capital company and the shares of third parties, which are taken on its own account, are deducted.

(3) When calculating the shares of a trading company in a capital company, the shares owned by the companies affiliated to it or taken into account and held by third parties are also taken into account.

**III – Mutual participation**

**ARTICLE 197**-(1) Capital companies that own at least one fourth of each other's shares are in the position of mutual participation. Article 196 is applied in the calculation of the percentages of these shares. If one of the aforementioned companies dominates the other, the second company is also considered a subsidiary. If each of the companies in cross-share ownership is dominant over the other, both are considered subsidiary and controlling companies.

**IV – Notification, registration and announcement obligations**

**ARTICLE 198**-(1) If an undertaking owns, directly or indirectly, shares in an amount representing five, ten, twenty, twenty-five, thirty-three, fifty, sixty-seven or one hundred percent of the capital of a capital company, or if its shares fall below these percentages; The undertaking shall notify the situation to the capital company and the competent authorities specified in this Law and other laws, within ten days following the completion of the said transactions. The acquisition or disposal of shares at the rates stated above is disclosed under a separate heading in the annual activity and audit reports and announced on the website of the capital company.

Article 196 is applied in calculating the percentages of the shares. The members of the board of directors and managers of the enterprise and the capital company also make a notification regarding the shares of themselves, their spouses, their children under their custody, and the shares of the commercial companies in which they hold at least twenty percent of the capital in that capital company. Notifications are made in writing, registered and announced in the trade registry.

(2) Unless the notification, registration and announcement obligation stipulated in the first paragraph is fulfilled, other rights, including the voting right, pertaining to the relevant shares are frozen. Provisions regarding other legal consequences of non-fulfillment of the notification obligation are reserved.

(3) In order for the domination agreement to be valid, it is necessary to register and announce this agreement in the trade registry. The invalidity of the contract does not prevent the implementation of the provisions of this Law and other laws regarding the obligations and responsibilities of the group of companies.

**V – Reports of affiliated and controlling companies**

**ARTICLE 199**-(1) The board of directors of the affiliated company prepares a report on the company's relations with the controlling and affiliated companies within the first three months of the activity year. In the report, all legal transactions made by the company with the controlling company, a company affiliated to the controlling company, for the benefit of it or an affiliate company under the direction of the controlling company, and all other measures taken or avoided in favor of the controlling company or an affiliated company in the previous operating year. explanation is made. Acts and counter-performances in legal transactions, the reason for the measure and the benefits and losses for the company are stated in the measures. If the loss has been offset, how it actually happened during the operating year or what benefits the company has provided, a right to claim is also notified.

(2) The report must comply with the principles of fair and honest accountability.

(3) At the end of the report, the Board of Directors explains whether a suitable counter-action has been achieved in each legal action and whether the measure taken or avoided has inflicted damage on the company, according to the circumstances and conditions known to them at the time the legal action is taken or the measure is taken or avoided. If the company has incurred a loss, the board of directors also indicates whether the loss has been offset. This statement is only included in the annual report.

(4) Every member of the board of directors of the controlling company, from the chairman of the board of directors; the financial and asset status of the subsidiaries and their quarterly account results, the relations of the controlling company with its subsidiaries, with each other, with the shareholders of the controlling and subsidiary companies and their relatives; It may request that a report be prepared and presented to the Board of Directors on the transactions they have made and their results and effects, prepared in accordance with the principles of accountability that reflects the truth exactly and honestly, and that the conclusion part of it be added to the annual report and the audit report. If the affiliated companies cannot prove the existence of a justifiable reason for the refusal that is clear enough to leave no room for interpretation, they are obliged to provide the information and documents required for the preparation of this report to the experts of the controlling company assigned for this task. If the requesting member of the board of directors has done this for the benefit of a third party, he will be responsible for the consequences.

**VI – Obtaining information about affiliated companies**

**ARTICLE 200**-(1) At the general assembly meeting, each shareholder of the controlling company, the financial and asset status of the subsidiaries and the results of the accounts, the relations of the controlling company with its subsidiaries, with each other, with the shareholders, managers and their relatives of the controlling and subsidiary companies, their transactions and their results. He may request that satisfactory information be given about him, in accordance with the principles of accountability, which reflects the truth exactly and honestly.

**VII – Freezing of rights**

**ARTICLE 201**-(1) Another capital company that acquires the shares of a capital company and knowingly enters the position of mutual participation, can use only one fourth of its total votes and other shareholding rights arising from the shares that are the subject of participation; Except for the right to acquire bonus shares, all other shareholding rights are frozen. The said shares are not taken into account in the calculation of the meeting and decision quorum. The provisions of Articles 389 and 612 are reserved.

(2) The limitation stipulated in the first paragraph shall not be applied if the subsidiary company acquires the shares of the controlling company or if both companies dominate each other.

**VIII – Responsibility**

**1. Unlawful use of domination**

**ARTICLE 202**-(1)a) The controlling company cannot use its dominance in a way that will cause the subsidiary to lose. In particular, the subsidiary, business, assets, funds, personnel, to take legal transactions such as receivables and debts; to reduce or transfer its profits; to limit its assets with real or personal rights; to undertake responsibilities such as giving surety, guarantee and bill of exchange; to make payments; may not lead them to take decisions or measures that negatively affect their efficiency or activities, such as not renewing their facilities, limiting or stopping their investments, or avoiding taking measures to ensure their development without a justified reason; unless the loss is actually offset in that operating year, or by specifying how and when the loss will be offset, the affiliate is entitled to an equivalent claim until the end of that operating year at the latest.

b) If the equalization is not actually fulfilled within the operating year or if an equivalent claim is not granted within the period, each shareholder of the subsidiary company may request compensation from the controlling company and its members of the board of directors who caused the loss. If the judge, upon request or ex officio, would find it appropriate in the concrete case, instead of compensation, he may decide on the purchase of the shares of the claimant shareholders by the controlling company, or another acceptable solution, which is appropriate for the situation, in accordance with the provisions of the second paragraph of this article.

c) Creditors may also request that the company's losses be paid to the company, even if the company has not gone bankrupt pursuant to subparagraph (b).

d) If it is proved that the transaction causing the loss, under the same or similar conditions, can be made or avoided by the members of the board of directors of an independent company, who takes care of the company's interests in accordance with the rule of honesty and acts with the care of a prudent manager, no compensation shall be awarded.

e) Articles 553, 555 to 557, 560 and 561 are applied by analogy to the lawsuit filed by shareholders and creditors. In case the headquarters of the dominant undertaking is located abroad, the compensation case is filed in the commercial court of first instance where the headquarters of the subsidiary company is located.

(2) In transactions such as merger, division, type change, termination, issuance of securities and important articles of association, which are carried out with the application of dominance and which do not have a clearly comprehensible reason for the subsidiary company, the person who votes against the general assembly resolution and records it in the minutes or the board of directors does so. Shareholders objecting in writing to their decisions on and similar issues; they may request from the court the compensation of their losses or the purchase of their shares with at least the stock market value, if there is no such value, or if there is no such value, or if the stock market value does not comply with the fairness, with the real value or at a value to be determined according to a generally accepted method. While determining the value, the data closest to the court decision are taken as basis. The lawsuit for compensation or the purchase of shares becomes time-barred in two years, starting from the date of the general assembly decision or the announcement of the board of directors decision.

(3) When the lawsuit stipulated in the second paragraph is filed, it is decided to deposit the money in the amount that covers the possible losses of the plaintiffs or the purchase value of the shares as collateral in a bank to be determined by the court, on behalf of the court. Unless the collateral is paid, no action can be taken regarding the general assembly or board of directors' decision. In the event that the lawsuits stipulated in the first and second paragraphs of this article are filed in bad faith, the defendant may request from the plaintiffs that the damage he has suffered be compensated jointly and that a guarantee be deposited in the court.

(4) Other rights granted to shareholders and partners in mergers, divisions and conversions are reserved.

(5) The directors of the subsidiary company may request the dominant undertaking to undertake, with a contract, all the legal consequences of their responsibilities that may arise against the shareholders and creditors due to the provisions of this article.

**2. In full dominion**

**a) Instruction**

**ARTICLE 203**- (1) If a trading company directly or indirectly owns XNUMX percent of the shares and voting rights of a capital company, the board of directors of the controlling company is responsible for the direction and management of the subsidiary company, even if they are of a nature that may cause loss, provided that the determined and concrete policies of the group are required. may give instructions. The organs of the affiliated company must comply with the instruction.

**b) Exception**

**ARTICLE 204**-(1) No instruction can be given that clearly exceeds the solvency of the subsidiary, may endanger its existence or cause it to lose important assets.

**c) The irresponsibility of the organs of the affiliated company towards the company and its shareholders**

**ARTICLE 205**-(1) Members of the subsidiary's board of directors, managers and those who may be held liable cannot be held liable to the company and its shareholders due to their compliance with the instructions within the scope of Articles 203 and 204.

**d) Right of action of the creditors of the company**

**ARTICLE 206**-(1) If the loss incurred in the subsidiary company due to the instructions given by the controlling company and its executives within the framework of Article 203, is not compensated within that accounting year, or if an equivalent claim is not granted to the company by specifying the time and form, the creditors who suffered the loss shall be liable to the holding company and its responsible for the loss. may file a lawsuit against the members of the board of directors. Defendants can rely on subparagraph (d) of the first paragraph of Article 202. Subparagraph (e) of the first paragraph of Article 202 is applied to this case.

(2) Defendants can avoid liability by proving that, in claims arising from credit and similar reasons, the plaintiff has entered into a relationship that gave rise to the claim, knowing that no equalization has been made or that the right to claim has not been granted, or that he should have known about this situation due to the nature of the business.

**IX – Miscellaneous provisions**

**1. Custom inspection**

**ARTICLE 207**– (1) Auditor, (…) (1) special auditor, early detection and management of risk committee; If the subsidiary company has expressed an opinion indicating the existence of fraud or fraud in its relations with the controlling company or another affiliated company, each shareholder of the subsidiary company may request the appointment of a special auditor from the commercial court of first instance in the place where the company headquarters is located, in order to clarify this issue. (1)

**2. Right to purchase**

**ARTICLE 208**-(1) If the controlling company, directly or indirectly, owns at least ninety percent of the shares and voting rights of a capital company, if the minority prevents the company from working, acts against the rule of good faith, causes noticeable trouble or acts recklessly, if the controlling company has the minority's shares, the stock market value otherwise, it can be purchased with the value determined as stipulated in the second paragraph of Article 202.

**3. Responsibility arising from trust**

**ARTICLE 209-**(1) The controlling company is responsible for the trust created by the use of this reputation in cases where the reputation of the group reaches a level that gives confidence to the society or the consumer.

**H) Regulation and inspection authority of the Ministry of Customs and Trade (2)**

**ARTICLE 210**- **(Değişik: 26/6/2012-6335/13 md.)**

(1) The Ministry of Customs and Trade is authorized to issue communiqués regarding the implementation of the provisions of this Law regarding commercial companies. Trade registry offices and companies comply with these communiqués. The transactions of trade companies within the scope of this Law are inspected by the inspection staff of the Ministry of Customs and Trade. The principles and procedure of this inspection and the transactions subject to inspection are regulated by a regulation prepared by the Ministry.

(2) Other ministries, institutions, boards and organizations may make regulations regarding companies only on the condition that they remain within the limits of the authority granted to them by law and subject to the foreseen purpose, subject and form.

(3) Without prejudice to the provisions of special laws, the Ministry of Customs and Trade, within one year from the learning of such transactions, preparations or activities, regarding the commercial companies determined to be involved in transactions contrary to public order or the subject of business, or in preparations for this purpose, or to engage in collusive business and activities. termination proceedings may be initiated.

PART TWO – Collective Company

SECTION ONE - Nature and Establishment of the Company

**A) Definition**

**ARTICLE 211**-(1) A collective company is a company established between real persons for the purpose of operating a commercial enterprise under a trade name, and the liability of any of its partners is not limited to the creditors of the company.

**B) Contract**

**I - Figure**

**ARTICLE 212**-(1) Collective company agreement is subject to written form; In addition, the signatures in the contract must be notarized or the company contract must be signed in the presence of the trade registry director or his deputy. **(Additional sentence: 15/7/2016-6728/67 md.)**In the establishment of the company, valuable paper price is not collected from the papers containing the articles of association. (1)

**II – Mandatory registrations**

**ARTICLE 213**-(1) It is obligatory to write the following records in the collective company agreement:

a) Names and surnames, place of residence and citizenship of the partners.

b) The company is a collective.

c) The company's trade name and headquarters.

d) The business subject of the company, with its essential points specified and defined.

e) The amount of money each partner undertakes to put as capital; the value of the non-monetary capital and how that value has been determined; If personal labor is included as capital, the nature, scope and value of this labor.

f) Names and surnames of persons authorized to represent the company, whether they are authorized to sign alone or together.

(2) Partners can put any records they wish in the articles of association, provided that they do not contradict the mandatory provisions.

**III – Deficiencies**

**ARTICLE 214**-(1) A collective company whose contract has not been made legally or one or some of the records that are obligatory to be included in the contract are incomplete or invalid, is considered an ordinary company, and the provisions of the Turkish Code of Obligations regarding ordinary companies are applied, provided that the provision of Article 216 is reserved.

(2) The provision of Article 12 is reserved.

**C) Registration**

**I – Liability**

**ARTICLE 215**-(1) Those who establish a collective company are obliged to submit a notarized copy of the company contract to the trade registry where the company headquarters is located within fifteen days from the date of approval, and request the registration of the company. The copy is kept by the registry office, and the records that are obligatory to be included in the contract pursuant to Article 213 and other matters ordered by law are registered and announced.**(Additional sentence: 15/7/2016-6728/67 md.)**In case the company contract is signed in the presence of the trade registry director or his assistant, the above-mentioned registration and announcement is provided by keeping the copy by the trade registry directorate.

**II – Failure to fulfill the obligation**

**ARTICLE 216**-(1) If business is started on behalf of the company without fulfilling the registration obligation, the partners are jointly and severally liable to third parties for the work they undertake.

(2) The same provision is also valid in case of making a transaction with third parties or committing a tortious act against them under a common title, even if it does not contain a record showing the type of company, without a collective company agreement.

SECTION TWO – Relationships Between Partners

**A) Freedom of contract**

**ARTICLE 217**-(1) Freedom of contract applies in the regulation of the relations of the partners with each other.

**B) Management of the company**

**I – Who owns the management**

**1. In general**

**ARTICLE 218**-(1) Each of the partners has the right and duty to manage the company separately. However, management jobs can be given to one, several or all of the partners, by the articles of association or by the decision of the majority of the partners.

(2) Provisions regarding commercial agents and other commercial proxies are reserved.

**2. Dismissal**

**a) Assignment by company contract**

**ARTICLE 219**-(1) If the management works are given to a partner by the articles of association, his management rights and duties cannot be limited by the other partners and he cannot be dismissed. However, in the presence of justified reasons, upon the request of one of the partners, the right and duty of management may be limited or withdrawn by a court decision. Circumstances such as negligence, gross negligence or impotence in the performance of duty are considered justifiable grounds.

**b) Assignment by decision of the partners**

**ARTICLE 220**-(1) If the management works are given to a partner by a decision taken after the company contract is concluded, that partner can be dismissed by the decision of the majority of the partners. If the majority cannot be obtained, each partner may apply to the court for the dismissal of the relevant managing partner, alleging that the managing partner violated the articles of association or has justified grounds in the event.

**3. Acting alone or together in management affairs**

**ARTICLE 221**-(1) If the management of the company's affairs is given to all or a few of the partners, each of them has the right and duty of management alone. However, if some of the partners who are responsible for managing the company argue that a job to be done is not in the interests of the company, other partners who have the right and duty of management can do that job with a majority decision.

(2) If it is written in the articles of association that the partners who have been given the management of the company's affairs act together, the partners must agree on every job, with the exception of cases where there is a danger in delay. If they cannot come to an agreement, the situation is brought to the shareholders' board and action is taken according to the decision to be made by this board.

**4. Objection of other partners**

**ARTICLE 222**-(1) If the management is given to a partner with the articles of association, this partner can take the necessary actions for the management of the company, even if the other partners object and oppose, provided that it is not based on fraud.

**II – Scope of management**

**ARTICLE 223**-(1) Matters within the scope of the management of the company are limited to the ordinary transactions and works required to achieve the purpose and subject of the company. Those who manage the company are also authorized to arbitrate by settlement, waiver and acceptance, on the condition that it is limited to ordinary transactions and works, in the works they deem appropriate for the company's benefit. In so far, ordinary business such as making a donation, being a guarantor, giving a guarantee in favor of a third party, appointing a commercial representative and, if it is not within the scope of the company, selling immovables, buying them, providing collateral, disposing of the means of production pertaining to the essence of the company, pledging or establishing a commercial enterprise pledge. The unanimous consent of the partners is required in matters other than transactions and transactions.

**III – Interest paying debt**

**ARTICLE 224-**(1) The partner, immediately, the money he has withdrawn from the company without authorization and collected from somewhere on the account of the company; The loan received from the company is obliged to give it to the company with interest from the date it is received.

**C) Audit**

**ARTICLE 225**-(1) Even though a partner does not have the right and duty of management, he has the right to personally obtain information about the course of the company's affairs, to examine the documents and books of the company, and to draw up a chart of accounts that will show the financial status of the company accordingly. Any contract contrary to this is void.

**D) Voting rights and decisions**

**ARTICLE 226-**(1) Each partner has one vote. A contract contrary to this is void.

(2) Decisions regarding the amendment of the articles of association in any way whatsoever, are made unanimously, and other decisions are made by the majority of the partners, unless there is a contrary provision in the law or the articles of association.

(3) “Unanimous” means the decisions that must be taken with the affirmative votes of all the partners in the company, and “majority” of the absolute majority of the partners in the company.

**E) Right to profit share and participation in loss**

**I – Issuing financial statements**

**ARTICLE 227-**(1) At the end of the operating period of the company, the managing partners prepare and sign the financial statements in accordance with the provisions of articles 64 to 88 of this Law on commercial books and submit them to the approval of the board of shareholders. Financial statements become final with the approval of the majority of the partners. Provided that the provisions of the second paragraph are reserved, the distribution of profit is also decided at the same meeting. If this decision is contrary to the law, company contract, company decisions or good faith, the partners can file an action for annulment within three months from the date of the decision on the use of profit.

(2) The partners may leave the determination of their share of the profit and loss to one of them or a third person, with the articles of association or with a decision they will take later. It is essential that the decision of this partner or the third party is not contrary to equity. The right of action is lost in cases that show explicit or implied acceptance, such as three months have passed since the aforementioned decision was learned, the determined profit share is fully or partially received by the partner, or it is transferred to another person, the payment of the loss is started.

(3) If the decision regarding the sharing of profit and loss is contrary to the rules of equity, it is annulled by the court. In this case, profit and loss are shared in accordance with the provisions of the ordinary company.

(4) If stipulated in the articles of association, interest and fees are paid within the activity period.

**II – Partner's requests**

**ARTICLE 228**-(1) Each partner, his share of the profit realized from the company at the end of the operating period, the interest of the money he lent to the company and the capital he has invested, if agreed, the fee he is entitled to in accordance with the company contract; according to the law or company contract, if the year-end balance sheet has not been prepared, it has the right to be prepared, if the profit share is not determined in the balance sheet, to be determined and to demand its receivables.

(2) Contract terms that result in the removal or restriction of the rights granted to the partner by this article are invalid.

**III- Loss share**

**ARTICLE 229-**(1) Unless the partners take a unanimous decision, no partner can be compelled to complete the deducted portion of his capital.

(2) The portion of the capital that is decreased by loss is covered by the profit to be realized, unless there is a contrary decision.

**F) Prohibition of competition**

**I - Rule**

**ARTICLE 230**-(1) A partner may not perform commercial activities of the company of which he is a partner, on his own account or on behalf of someone else, without the consent of the other partners, and may not enter a company dealing with the same type of commercial affairs as an unrestricted partner.

(2) If the other partners know that a partner who joins a newly established company is also one of the unrestricted partners of another previously established company, but the other partners know that they have not clearly agreed to terminate their dismissal from the previous company, it is assumed that they have accepted this situation.

**II – Deviant act**

**ARTICLE 231**-(1) If a partner acts in violation of Article 230, the company is free to demand compensation from this partner or, instead of indemnification, to consider the work done by this partner on behalf of himself as being done on behalf of the company, and to request that the benefits arising from the work he has done on behalf of third parties be left to the company.

(2) Other partners mostly decide on one of these options. This right expires three months from the date on which it is learned that a transaction has been made or that the partner has joined another company, and in any case, one year after the transaction is made.

(3) The above provisions do not affect the rights of the partners whose rights are violated to request the dissolution of the company.

SECTION THREE - Relations of the Company and Partners with Third Parties

**A) Acquisition of legal personality**

**ARTICLE 232**-(1) A collective company gains legal personality upon registration in the trade registry. On the contrary, the contract is void against third parties.

**B) representation**

**I – Scope**

**ARTICLE 233-**(1) The person authorized to represent the company has the authority to carry out all kinds of business and legal transactions within the scope of the company's business on behalf of the company and to use the company's title. Any condition limiting this authority cannot be asserted against third parties in good faith.

(2) However, if joint signature is a condition for the joining of the company in accordance with the necessary provisions of the registration and announcement of the articles of association, this condition is also valid against third parties.

**II – Provisions**

**ARTICLE 234-**(1) The company becomes a creditor and debtor due to the transactions made on behalf of the company, expressly or implicitly, by the persons authorized to represent the company.

(2) The company is also directly responsible for tortious acts committed by a partner while performing his duties belonging to the company.

**III – Removal of representation authority**

**ARTICLE 235**-(1) In the presence of justified reasons, the power of representation may be revoked by the court upon the application of a partner. In cases where there is a danger in delay, the court may abolish the power of representation as a precautionary measure and give this authority to a trustee. The court registers and announces the appointment of the trustee, their duties, the power of representation given by the court and their limits.

(2) The commercial representative may be dismissed by all of the partners having the authority to represent, valid against third parties.

**C) Status of company creditors**

**I – Personal liability of partners**

**ARTICLE 236**-(1) The partners are responsible for the debts and commitments of the company jointly and with all their assets.

(2) Even if the new entrant to the company was born before the date of entry, he is responsible for the debts and commitments of the company jointly with other partners and with all his assets.

(3) Conditions put into the contract contrary to the first and second paragraphs do not apply to third parties.

**II- Degree of responsibility**

**ARTICLE 237**-(1) The company is primarily responsible for the company's debts and commitments. However, if the enforcement proceedings against the company are fruitless or the company has been terminated for any reason, a lawsuit can be filed against the company and a follow-up can be made only together with the partner or partner.

(2) The above provisions do not prevent the imposition of lien on the personal property of the partners. The period stipulated in the first paragraph of Article 264 of the Enforcement and Bankruptcy Law regarding the precautionary seizures made under the provision of this paragraph starts to run from the date on which the authority to initiate a lawsuit or proceeding against the partner arises as per the second sentence of the first paragraph. However, if no proceedings or lawsuits are initiated against the company within the legal period from the notification of the provisional attachment report, the provisional attachment shall be rendered.

**III - Court decision**

**ARTICLE 238**-(1) Only the court decision taken against the company cannot be enforced against the partners unless the proceedings against the company fail or the company is dissolved for any reason.

(2) If the debt is not paid despite the notification of the execution order to the company, the creditor may directly request bankruptcy of the partners or some of the partners together with the company.

**IV- Bankruptcy**

**1. Bankruptcy of the company**

**ARTICLE 239**-(1) In the event of the company's bankruptcy, the personal creditors of the partners cannot apply to the company properties unless the creditors of the company have received their receivables.

**2. Bankruptcy of the company and partners**

**ARTICLE 240**-(1) The bankruptcy of the company does not require the bankruptcy of the partners. However, if the money is not deposited despite the deposit decision, the creditor may request the court to notify the shareholders or some of them of the warehouse decision and to decide on their bankruptcy together with the company if they do not fulfill the requirements. If the creditor, who has not exercised this right, cannot fully take his receivables from the company desk, his partners also reserve the right to proceed through bankruptcy.

(2) If the property of the partners is filed through ordinary proceedings or bankruptcy, there is no right of priority and privilege between their personal creditors and the creditors of the company. However, these rights of those who have legal priority right among personal creditors are reserved.

**3. Rights of partners**

**ARTICLE 241-**(1) In the event of the company's bankruptcy, the partners cannot enter the table for the capital they have put in and the running interests; however, they can enter the table like any creditor for the accrued interest and fees and the expenses they make in favor of the company.

**V – Swap**

**ARTICLE 242-**(1) A person who is indebted to the company cannot exchange this debt with his receivable from one of the partners.

(2) A partner cannot exchange his debt to his personal creditor for a debt of the company to the same person.

(3) On the other hand, if a creditor of the company is also a personal debtor of one of the partners, as per Articles 237 and 240, from the moment the partner can be followed personally for the debt of the company, both the creditor of the company and the partner have the right of clearing.

SECTION FOUR – Dissolution of the Company and Departure of the Partner

**A) expiration**

**I – Causes**

**1. In general**

**ARTICLE 243 -**(1) Without prejudice to the provision of Article 253, the collective companies are terminated by the realization of one of the following reasons stipulated in Articles 639 and 640 of the Turkish Code of Obligations:

a) Bankruptcy of the company even if it has resulted in a concordat.

b) Despite the loss of all or two thirds of the company's capital, it has not been decided to complete the capital or to be satisfied with the remaining capital.

c) Merger of the company with another company.

d) If no registration or announcement has been made within or after the time period specified in Article 215 of the Law, no matter how long has passed, the court decides to terminate upon the request of any of the partners and on the condition that this partner has sent a notice containing a suitable period to the other partners through a notary public.

e) Bankruptcy of one of the partners, without prejudice to the provisions of Article 254.

**2. Exceptions**

**ARTICLE 244 -**(1) The general provision in the articles of association, in which it is stated that the company will not be dissolved in the presence of any of the reasons for dissolution, without stating a specific or several reasons, shall not be valid. However, provided that it is not contrary to the mandatory provisions of the law, it may be accepted in the articles of association that certain reasons for termination will not result in the termination of the company.

**3. Justified reasons**

**ARTICLE 245-**(1) A just cause is the fact that the actual or personal reasons leading to the establishment of the company have disappeared in a way that makes it impossible or difficult to obtain the business subject of the company; especially;

a) A partner has betrayed the company in the management of the company or in the settlement of its accounts,

b) Failure of a partner to fulfill his main duties and debts,

c) Misuse of the company's trade name or property for the personal interests of a partner,

d) A partner loses the ability and competence necessary to carry out the business of the company he has taken over, due to a permanent illness or other reason,

Situations like this are justified.

(2) Pursuant to subparagraphs (a), (b) and (c), the partner for whom the reason for termination has arisen does not have the right to sue.

**4. Special circumstances**

**a) Failure to fulfill the capital investment debt**

**ARTICLE 246**-(1) In order to file a lawsuit for termination due to non-fulfillment of the capital investment debt, a notice containing the appropriate time is sent to the partner through the notary public. The notice also includes the notice of fulfillment of the debt within the given period.

**b) presumption**

**ARTICLE 247**-(1) Companies that have been implicitly extended by continuing their business after the expiry of the company term stipulated in the articles of association or whose term has been linked to the life of a partner are deemed to be companies with an indefinite term.

**5. Status of personal creditors**

**a) Right to object in case of extension of company term**

**ARTICLE 248**-(1) The personal creditor of any of the partners may object to the decision regarding the extension of the company's term taken by the partners.

(2) In order to object, the creditor must rely on a court decision or a document of that nature or a finalized enforcement proceeding, and apply to a notary public for the notification of the objection through a notary public within fifteen days from the date of the announcement of the extension decision. If it is not done in due time, the right to appeal is forfeited.

(3) If the decision regarding the extension of the period has not been registered and announced, the creditor can always object to this decision.

**b) The right to demand attachment and dissolution of the company**

**ARTICLE 249-**(1) If a partner's personal creditor does not receive his/her receivables from the debtor's personal properties and the profit share in the company pursuant to Article 133, he is authorized to have the share that will fall on the debtor partner at the end of the liquidation put a lien and to request the dissolution of the company with a six-month notice and provision for the end of the accounting year. .

(2) If the company or other partners pay the debt before the court decides to dissolve, the termination case is dismissed.

**II – Provisions**

**1. Registration and announcement**

**ARTICLE 250**-(1) In the event of the dissolution of the company, the partners are obliged to register and announce the dissolution. In the event of the dissolution of the company due to bankruptcy, this obligation belongs to the bankruptcy officer.

(2) If the dissolution of the company is due to the death of a partner, the registration and announcement petition, all other partners together with the heirs of the deceased partner; It is given by the surviving partners in cases where it is impossible or difficult for the heirs to participate.

**2. Termination of the management rights of the partners**

**ARTICLE 251**-(1) Those authorized to manage the company cannot transact on behalf and account of the dissolved company; otherwise, they will be jointly and unlimitedly liable for these transactions. The provisions of Article 252 are reserved.

(2) Unless the termination is registered and announced in accordance with the law, all partners continue to be liable to third parties.

**3. Interim administration**

**ARTICLE 252-**(1) In the event that a partner is restricted or declared bankrupt, Article 641 of the Turkish Code of Obligations is applied.

**B) Partners leave the company**

**I**-**Exceptions**

**1. Partner's death**

**ARTICLE 253**-(1) If there is no regulation in the articles of association stating that the company will continue with the heirs of the deceased partner, the company can continue among them upon the unanimous decision of the heirs and other partners. If the heirs or one of them do not consent to stay in the company, the other partners can pay the heirs of the deceased partner's dissenting heirs from the company and continue the company between them. In this case, if one of the surviving partners does not approve the continuation of the company, the company is dissolved unless unanimous consent is reached.

(2) If there is a provision in the articles of association that the company will continue as a collective company between the heirs of the deceased partner and other partners, the heirs are free to continue with the company as a collective. If the heirs want the company to continue, the other partners must agree to this request. However, if there is an heir who does not want to stay in the company as a collective, he can propose to be accepted into the company as a limited liability company with the amount falling from the share of the deceased partner. Other partners do not have to accept this proposal. The heirs must notify the company within three months from the date of death of the partner whether they will enter the company as a collective partner or a limited partner. Until the situation is notified to the company, the heirs are deemed to remain in the company as limited partners. The heirs who have not made a notification within this period take the title of collective partner as of the expiry of the period.

**2. Partner's bankruptcy**

**ARTICLE 254**– (1) In case of bankruptcy of one of the partners, the bankrupt partner may be expelled from the company. In this case, the company continues among the other partners and the bankrupt's share is paid to the table. In so far, this right of the partners can be removed by contract.

**3. Justified reasons**

**ARTICLE 255**-(1) In cases where the dissolution of the company may be requested due to reasons arising from a partner himself, all other partners may decide to dismiss that partner from the company and to continue the company. In the articles of association, it can be foreseen that this decision will be taken by majority.

(2) The removed partner may file a lawsuit for the annulment of the opposition against the company within three months of the notification of this decision through the notary public.

(3) In the event that a dismissal decision cannot be taken pursuant to the first paragraph, each partner may request the dismissal of the said partner from the company and the determination of the separation share from the commercial court of first instance in the place where the company headquarters is located.

**4. Notice of termination**

**ARTICLE 256-**(1) In companies with an indefinite duration, if one of the partners gives notice of the dissolution of the company, the other partners may not accept the termination and may decide to remove that partner from the company and continue the company among themselves.

(2) The provision of the first paragraph is also valid in cases where the personal creditor of a partner exercises the right of objection or termination pursuant to Articles 248 or 249.

(3) In this case, the decision regarding the continuation of the company is notified to the creditor and the debtor partner is removed from the company at the end of the activity period.

**5. In the company of two**

**a) In the presence of justifiable reasons**

**ARTICLE 257**- (1) In a collective company consisting of only two persons, if there are justifiable reasons for the dismissal of one of the partners from the company, upon the request of the other partner, all business and transactions, assets, receivables and debts of the company are left to the plaintiff partner and the other partner is expelled from the company, without the court's decision to terminate and liquidate. can decide. In this case, the provision of Article 262 shall apply to the partner who has been removed.

**b) In the presence of other reasons**

**ARTICLE 258**-(1) In a company consisting of two persons, if the personal creditor of one of the partners exercises his right of objection or termination pursuant to Articles 248, 249 and 256, or if one of the partners goes bankrupt, the other partner may benefit from Article 257.

**II – Provisions**

**1. Registration**

**ARTICLE 259**– (1) In case a partner leaves the company or is expelled, the other partners are obliged to register and announce it.

(2) In case of death of a partner, the second paragraph of Article 250 is applied.

(3) The exit or removal of a partner from the company is valid against third parties only as of the date of registration and announcement.

(4) The exiting or expelled partner is liable to third parties for the company transactions made until the date of registration and announcement of this situation.

**2. Share of the leaving partner**

**a) Calculation method**

**ARTICLE 260**-(1) The share of the partner who has left or been removed from the company is calculated on the basis of the company's assets on the closest date to the decision date in case of a dispute, unless there is a contrary provision in the articles of association.

**b) Payment method**

**ARTICLE 261**-(1) The removed or exiting partner can only receive his share calculated in accordance with Article 260 from the company in cash.

**c) Payment time**

**ARTICLE 262**– (1) The share of the exiting or exiting partner to be calculated according to the rules written in Article 260 is paid on the date indicated in the articles of association and on the first balance sheet date to be issued after the separation if there is no provision in the articles of association.

(2) The removed or exiting partner cannot take the capital share in the company unless the businesses entered into before the date of separation are liquidated.

**d) Incomplete works**

**ARTICLE 263**-(1) The exited or exiting partner participates in the rights and obligations which are the direct results of the works started before the separation.

(2) The partner who has been removed or exited cannot prevent the previously started works from being completed and concluded in a way that will be deemed beneficial by the remaining partners. However, if the immediate liquidation of the aforementioned works is not possible, the exiting or dismissed partner may request, at the end of each activity period, to be informed about the accounts of the works completed in that year and the status of the ongoing transactions at that date.

**e) Timeout**

**ARTICLE 264**-(1) For the debts of the company, the claim rights of the company's creditors to the partners expire three years after the partner's departure from the company, the dissolution of the company or the publication of the bankruptcy in the Turkish Trade Registry Gazette; however, due to its nature, in cases where the receivable is tied to a shorter statute of limitations, that statute of limitations applies.

(2) If the receivable becomes due after the announcement, the statute of limitations begins to run from the moment of due date.

(3) The statute of limitations stipulated in this article does not apply to the receivables of the partners against each other.

**f) Special circumstances**

**ARTICLE 265**-(1) The three-year statute of limitations in Article 264 cannot be claimed against a creditor who applies only to unshared company assets to obtain his right.

(2) If a partner takes over the commercial enterprise of the company, he cannot claim a three-year statute of limitations against the creditors. On the other hand, a two-year statute of limitations is applied to the partners who leave due to the takeover, in accordance with the transfer of debt provisions. In the event that the third party takes over the commercial enterprise with its receivables and debts, the two-year statute of limitations applies.

**g) Termination of the statute of limitations**

**ARTICLE 266**-(1) The termination of the statute of limitations against the surviving company or another partner does not result in the termination of the statute of limitations against the partner leaving the company.

SECTION FIVE – Liquidation

**A) General provisions**

**I – Freedom of contract**

**Rule 1**

**ARTICLE 267**-(1) In cases where there is no different regulation in the articles of association, the liquidation is made in accordance with the provisions of this Section.

**2. Obligation to comply with the decisions of the partners**

**ARTICLE 268**-(1) Liquidation officers act in accordance with the unanimous decisions of the partners regarding the liquidation during the liquidation.

(2) The right to participate in the decisions regarding the appointment and dismissal of liquidators, or the instruction to be given to them, belongs to the bankruptcy administration in the case of a partner's bankruptcy, to the heirs in the event of his death, and to his legal representative in case of restriction. The heirs themselves**,** have them represented by a representative they will unanimously appoint. If unanimous consent is not reached, the appointment of the representative rests with the court.

(3) Disputes between the partners and the liquidation officers are settled according to the simple procedure. Liquidators and partners are heard in the proceedings. The decision must be made as soon as possible. Decisions on this matter are final.

**II – Continuation of legal entity**

**ARTICLE 269**- (1) The company, which has entered into liquidation, also in its relations with the partners, without prejudice to the provision of Article 293, its capacity remains limited for this purpose until the end of the liquidation, and it continues to use its trade name by adding the phrase "in liquidation".

**III - Bankruptcy**

**ARTICLE 270**-(1) The liquidation of a collective company does not constitute an obstacle to its bankruptcy.

**IV – Preemption right of company creditors**

**ARTICLE 271**-(1) The pre-emptive rights of the creditors of the collective company against the personal receivables of the partners on the company properties continue even after the dissolution of the company.

**B) Liquidators**

**I - in general**

**ARTICLE 272**-(1) The liquidation of the collective company belongs to the liquidators in cases of dissolution other than bankruptcy.

**II – Election and assignment**

**ARTICLE 273**-(1) Liquidators are elected unanimously by the partners, during the continuation of the company or after the termination of the company.

(2) If a liquidator has not been elected in accordance with the provisions of the first paragraph, all partners or their legal representatives are considered liquidators. However, upon the request of one of the partners, the commercial court in the place where the head office of the company is located appoints one or more liquidators for the company in liquidation. If the court deems it necessary, it can listen to the other partners by notifying the petition.

(3) The liquidators to be elected by the partners or to be appointed by the court may be among the partners or third parties.

**III – Dismissal**

**1. Partners who are liquidators**

**a) Appointment before expiration**

**ARTICLE 274**-(1) Liquidators may be dismissed by a company agreement or by a decision of the partners before the dissolution of the company, if they are selected from among the partners, by a unanimous decision of the other partners. If a unanimous vote cannot be reached, they can be dismissed by the court upon the request of any of the partners, if there are justified reasons.

(2) The case for dismissal can also be filed before the dissolution of the company.

**b) Assignment after expiration**

**ARTICLE 275**– (1) After the dissolution of the company, the liquidators elected among the partners can be dismissed with a unanimous decision of the other partners. If a unanimous vote cannot be reached, they can be dismissed by the court upon the request of any of the partners, if there are justified reasons.

**2. Non-partner liquidators**

**ARTICLE 276**-(1) Liquidators who are not partners can be dismissed only by a unanimous decision of the partners, even if they are elected by the articles of association or by a subsequent decision or after the dissolution of the company. If a unanimous vote cannot be reached, they can be dismissed by the court for justified reasons upon the request of any of the partners.

(2) The case for dismissal can also be filed before the company's dissolution.

**3. Court-appointed liquidators**

**ARTICLE 277**-(1) Article 276 shall also apply to the dismissal of liquidators appointed by the court.

**IV – Provisions regarding the form of transaction**

**1. Act together**

**ARTICLE 278**-(1) Liquidators who are not authorized to carry out the liquidation works alone, either by the articles of association or by a subsequent decision, act together.

(2) If the liquidator is solely authorized to liquidate, this situation shall be registered and announced as stipulated in the law.

**2. Prohibition of transfer and proxy**

**ARTICLE 279**-(1) A liquidator may not delegate his duties to another liquidator or third parties. However, liquidators may appoint one or some of them or a third party in order to carry out certain business and transactions.

**3. Representation**

**ARTICLE 280**– (1) The liquidation officers represent the company in liquidation in the courts and abroad.

(2) If the liquidators deem it beneficial for the company, they are also authorized to settle, waive, accept, arbitrate, and in particular to elect an arbitrator, limited to ordinary transactions and affairs; If necessary, they can also make new transactions.

(3) All documents and bills issued on behalf of the collective company in liquidation must be signed by the liquidators, adding the phrase "liquidator of the company in liquidation".

(4) The company is also liable for tortious acts committed by a liquidator while performing his duties.

**4. Acting alone**

**ARTICLE 281**- (1) It is sufficient to make statements such as offers, offers, notices, warnings and notifications made by third parties against only one of the liquidation officers.

(2) Liquidation officers may act alone, especially in resorting to legal remedies, in cases where danger is expected for the interests of the company.

**5. Expansion or narrowing of powers**

**ARTICLE 282**- (1) The legal powers of the liquidators can be narrowed and expanded by the partners unanimously or by a court decision if there are justified reasons.

(2) Restriction of powers cannot be brought forward to third parties in good faith unless they are registered and announced.

**V – Registration and announcement**

**ARTICLE 283**-(1) It is obligatory to register and announce the provisions of the articles of association regarding the appointment, replacement, dismissal and powers of the liquidators and the resolutions regarding the liquidation given by the partners or the court.

**VI- Fee**

**ARTICLE 284**-(1) Liquidators selected from among the partners cannot receive wages unless specified in the contract or a subsequent decision.

(2) Liquidators appointed from non-partners may request an appropriate fee to be assessed as the case may be, even if the fee has not been determined, and in case of disagreement, the parties can apply to the judiciary.

**VII – Responsibility**

**ARTICLE 285**-(1) Liquidators who cause damage to third parties or partners by violating the law, the articles of association or other provisions showing the terms of business, are held jointly and severally liable unless they prove that they are faultless.

(2) Liquidation officers are also jointly and severally liable to third parties and partners, in accordance with Article 116 of the Turkish Code of Obligations, for the acts of the persons they appoint and recruit in violation of the law, the articles of association or the provisions indicating other terms of employment.

(3) These lawsuits are time-barred in two years from the date the plaintiff learns about the damage and the perpetrator, and in any case, in five years from the act that caused the damage. However, if the act causing the damage constitutes a crime and is subject to a longer statute of limitations according to the Turkish Penal Code, that statute of limitations is also applied to the compensation case.

**C) Liquidation works**

**I – Protection measures**

**ARTICLE 286**-(1) Liquidators are obliged to take the necessary measures, like a prudent businessman, in order to protect all the property and rights of the company in liquidation, and to complete the liquidation as soon as possible.

**II – Bookkeeping obligation**

**1. Initial inventory and balance sheet**

**ARTICLE 287**– (1) Liquidators, if they are pre-selected, on the days immediately following the dissolution of the company and after the dissolution of the company, if they are elected by the partners or appointed by the court, immediately after their election and appointment, the liquidators shall call the persons who do the business of the company with them, and if they do not come alone, with an inventory showing the financial status of the company. prepare balance sheets. Liquidators, if they deem necessary, can turn to experts to appraise company assets. The prepared inventory and balance sheet are signed by those who manage the company's affairs in front of the liquidators.

(2) After the signature of the inventory and balance sheet, the liquidators confiscate all the properties, documents and books of the company that has been dissolved.

**2. Notebooks**

**ARTICLE 288**-(1) Liquidators are obliged to keep the necessary books to ensure the security of the liquidation processes.

**3. Final balance sheet**

**ARTICLE 289**- (1) At the end of the liquidation, the liquidators are obliged to prepare a balance sheet showing the shareholders' share in the capital, profit and loss and other rights in accordance with the provisions of the articles of association or the law and notify the partners. If the partners do not appeal by applying to the court within one month, the balance sheet becomes final.

(2) After that, if the partners refrain from taking their shares, the liquidation officers deposit these shares in one of the banks specified in Article 296 on behalf of each partner separately.

**4. Obligation to keep**

**ARTICLE 290**- (1) At the end of the liquidation, the provision of Article 82 is applied regarding the storage of documents and books.

**III – Purpose of liquidation**

**ARTICLE 291**-(1) Liquidators are responsible for completing the works and transactions that were started but not yet concluded, fulfilling the debts and commitments of the company, collecting the receivables of the company, taking legal action when necessary, turning the assets into money, obtaining the net assets and They are authorized and obligated to do all work and transactions.

**IV – New jobs**

**Rule 1**

**ARTICLE 292**-(1) Liquidators cannot make a new transaction that is not part of the requirements of the liquidation. Otherwise, they will be jointly and severally liable to the partners for such transactions.

**2. Exception**

**ARTICLE 293**-(1) Liquidation officers are responsible for the transactions within the scope of the company's scope of operation, however, unanimously by the partners; In cases where the dissolution has been decided by the court, if the partners cannot unanimously, they can proceed with the approval decision of the court.

**V – Realization of assets**

**1. Selling separately**

**ARTICLE 294**-(1) In the event of the company's dissolution, the liquidators may sell the company's movables either by auction or by bargaining, depending on the circumstances. If the partners do not determine another form of sale with a unanimous decision, immovables can only be sold by auction pursuant to the provisions of the Enforcement and Bankruptcy Law.

(2) The presence of a minor or restricted person among those concerned shall not prevent the implementation of this provision.

**2. Wholesale**

**ARTICLE 295**-(1) Unless the partners decide unanimously, liquidators may not wholesale substantial amount of company assets; however, in cases where unanimity cannot be achieved, the court may decide on wholesale.

**3. Deposit of money**

**ARTICLE 296-**(1) Liquidators deposit more than one thousand Turkish liras of the money obtained during the liquidation in a bank to be determined by the court, on behalf of the company.

**VI – Payment of debts**

**ARTICLE 297**-(1) Liquidators are obliged to immediately pay the debts of a collective company in liquidation, which are not yet due, by applying a discount, and the creditors are obliged to accept this method of payment.

**VII – Additional payments of partners**

**ARTICLE 298**– (1) If the existence of a collective company is not sufficient for all of its debts, the liquidators apply to the partners to ensure that the remaining debts of the company are paid.

**VIII – Distribution of the remainder of the liquidation**

**1. Temporary payments**

**ARTICLE 299-**(1) Liquidators may temporarily distribute the existing money among the partners, provided that they retain the amount sufficient for the future rights and receivables of the creditors and partners.

**2. Final distribution**

**ARTICLE 300**-(1) The net assets of the company are distributed by the liquidation officers in accordance with the articles of association or the subsequent decision. Unless there is a contrary provision in the contract or the decision of the partners, the distribution is made in money.

**IX – Right of audit of partners**

**1. The right to request information**

**ARTICLE 301**-(1) Liquidators are always obliged to provide the partners with information about the status of the liquidation works and, if the partners request, a signed document on this matter.

(2) At the end of the liquidation, the liquidation officers are accountable to the partners regarding the liquidation works and transactions.

**2. The right to examine the books**

**ARTICLE 302**-(1) Liquidators are obliged to show all the books and documents related to the company and the liquidation to the shareholders at the place where the liquidation is made, upon request. Liquidation officers cannot prevent the partners from obtaining copies of these books and documents.

**X – End of liquidation**

**ARTICLE 303**- (1) Upon the end of the liquidation, the situation regarding the deletion of the company's trade name from the registry and its registration and announcement shall be notified to the trade registry directorate by the liquidation officers.

PART THREE – Limited Company

SECTION ONE - Nature and Establishment of the Company

**A) Definition**

**ARTICLE 304**-(1) A limited liability company is a company established for the purpose of operating a commercial enterprise under a trade name, the liability of one or more of the partners to the creditors of the company is not limited and the liability of the other partner or partners is limited to a certain capital.

(2) Partners with limited liability are called commandites, and those with limited liability are called commandiers.

(3) Limited partners must be natural persons. Legal entities can only be limited partners.

**B) Provisions to be applied**

**ARTICLE 305**-(1) Without prejudice to the special provisions in this Section, Articles 212 to 216 regarding the collective company shall also apply to limited partnership companies.

(2) In the articles of association, the management duties assigned to the limited partners, which should not be a management right and arise from the amount, type and title of each limited partner's capital, are clearly stated.

**C) Contract**

**I – Comment**

**ARTICLE 306**-(1) Whether the company is limited or not is determined according to the provisions of the contract. The name and qualification given to the company by the partners alone is not sufficient to determine the type of that company.

(2) If a company cannot be clearly identified as being limited, that company is deemed to be a collective.

**II- The capital investment debt of the limited partners**

**ARTICLE 307**-(1) A limited liability company is registered and announced by writing the names of the limited partnerships and the type and amount of the capital invested or committed by each of them, apart from the records shown in Article 213.

(2) A limited man cannot invest his personal labor and business reputation as capital.

11044

SECTION TWO – Relationships Between Partners

**A) Freedom of contract**

**ARTICLE 308**-(1) In a limited partnership, the relations of the partners with each other are regulated by the articles of association. In cases where there is no provision in the articles of association, Articles 217 to 231 regarding collective companies are applied, without prejudice to the provisions written in this Section.

**B) Legal status of the commandiers**

**I – Management**

**ARTICLE 309-**(1) Each partner, whether limited or limited, has one vote. Arrangements against this rule are invalid.

(2) The company is managed by commandites.

(3) Commanditarians are not assigned and authorized to carry out the company's business, and they cannot object to the works performed by the persons who have the right of management within their authority. However, in extraordinary business and transactions, structural changes such as changing the company contract, changing types, mergers and divisions; Commander-in-chiefs also have the right to vote in basic transactions such as the acquisition and removal of partners in the company and the transfer of shares.

**II – Supervision**

**ARTICLE 310**-(1) Every commanditeer is authorized to examine the company's inventories and the content of its balance sheet, other financial statements, and their accuracy and validity, at the end of the business year and during business hours.

(2) Commander can make this examination himself or have it done by an expert. If an objection is raised against the expert's person, the court decides to appoint an expert upon the request of the limited partner. This decision is final. (1)

(3) In case of justifiable reasons, the court may at any time permit the examination of the company's affairs and existence by the person or an expert upon the request of the limited liability company. (1)

(4) The provisions of the articles of association that are contrary to the provisions of this article are invalid.

**III – Prohibition of competition**

**ARTICLE 311**– (1) Article 230, which states that the collective partners cannot make the same transactions that constitute the subject of the company, does not apply to the limited partners. However, if the limited liability company opens a commercial enterprise that will deal with the business scope of the company, or becomes a partner with a person opening such a business, or enters a company of this nature, the limited partner loses the right to examine the documents and books of the company.

**IV – Profit and loss**

**1. In general**

**ARTICLE 312-**(1) The limited liability company receives in cash the dividend realized at the end of the business year and the interests agreed in the articles of association. However, if the capital invested has decreased for any reason, he cannot demand profit and interest until the deficiency is completed. In so far, from the dividends to be obtained in the future years, the accumulated interests of the previous years are paid before the portion that increases after the capital deficiency is completed.

**2. Non-refundable interests and dividends**

**a) Those duly accrued**

**ARTICLE 313**-(1) The limited partners cannot be obliged to return the duly accrued interest and dividends in order to cover the subsequent losses of the company.

**b) Those that have been accrued irregularly**

**ARTICLE 314**-(1) Commandites cannot be compelled to return the profit shares they have received in good faith, but irregularly accrued, or the interests accepted by the articles of association, according to a balance sheet drawn up in accordance with the law and the articles of association.

**V – Transition of partnership**

**1. In Transfer**

**ARTICLE 315**-(1) The limited liability company may transfer his share in the company to someone else. However, if the other partners have not given their consent, the provision of Article 632 of the Turkish Code of Obligations is applied.

**2. In case of death**

**ARTICLE 316**-(1) The heirs replace a deceased commanditerant.

SECTION THREE - Relations of the Company and Partners with Third Parties

**A) Provisions to be applied**

**ARTICLE 317**-(1) In the relations of the company and its partners with third parties, without prejudice to the special provisions in this Section, Articles 232 to 242 regarding the collective company shall apply.

**B) Representation of the company**

**ARTICLE 318**-(1) Limited partnerships, as a rule, are represented by limited partners. The provisions regarding the scope and limitation of the representation authority of the collective company are also applied to the limited partnership company.

(2) Limited partners cannot be authorized to represent the company as partners. However, provided that there is no contrary provision in the articles of association, the limited partner can be appointed as a commercial representative, commercial agent or mobile merchant officer.

**C) Liability of the limited partner**

**I - in general**

**ARTICLE 319-**(1) The liability of a limited liability cannot exceed the amount of capital invested or committed.

**II - Exceptions**

**1. Commander whose name is in the title of the company**

**ARTICLE 320**-(1) The commanditerant whose name is in the title of the company is deemed to be liable to third parties as a limited partner.

**2. Commander who acts on behalf of the company**

**ARTICLE 321-**(1) Without expressly stating that he is acting as a commercial agent, commercial agent or mobile merchant officer, the commandite partner who makes transactions on behalf of the company is liable to bona fide third parties as a limited partner due to these transactions.

(2) If transactions were made before the company was registered with the trade registry, the limited liability partner is held liable for such company debts as a limited partner, unless he/she proves that they are aware of the limited liability for such company debts.

(3) The creditor can prove that the value appraised for the capital invested by the limited liability company is below the value at the time this capital was deposited. The limited liability is responsible for the difference.

(4) The limited partner is also responsible for the debts incurred before he/she joins the company, in the amount of the capital he/she has committed to put in.

(5) The general manager gives advice in a way that does not result in interference with the management of the company, expressing his opinion, exercising his right to audit extraordinary works and transactions and the company's business and transactions, participating in the appointments and dismissals of persons who are in charge of management in cases specified in the law, subordinate positions within the company. being employed in services and duties does not affect his responsibility as a commanditerant.

**III – Status of creditors**

**1. Tracking possibility**

**ARTICLE 322**-(1) The limited liability company is liable to the creditors of the company up to the amount of the capital debt that it has committed to put in yet. In this way, the limited partner, who is applied to, gets rid of the capital debt in the amount paid to the company creditor. The creditors of the company cannot apply to the limited liability company, unless the company is dissolved or the enforcement proceedings against the company are fruitless.

(2) In case of bankruptcy of the company, the rights of the creditors pass to the bankruptcy desk.

(3) If the limited liability company has declared or declared in writing that it has assumed responsibility with an amount exceeding the capital it has committed to put into the company, it shall be liable to third parties or the addressee of the notification for this amount.

**2. Reduction of capital**

**ARTICLE 323**-(1) Provided that the provisions of Articles 313 and 314 are reserved, a limited liability company cannot fully or partially reclaim its capital, either directly or to be counted towards interest or dividends, and if its capital has decreased for any reason, interest or dividends can be paid until the deficiency is completed. can't ask. Otherwise, the limited liability company shall be liable to the creditors of the company in accordance with the first paragraph of Article 322.

**3. Bankruptcy**

**a) Bankruptcy of the company**

**ARTICLE 324**-(1) In case of bankruptcy of a limited partnership company, the personal creditors of the partners cannot apply for the company properties unless the creditors of the company have received their receivables.

(2) The capital invested by the limited partners is also counted as one of the goods for which the creditors of the company will first acquire their rights, as stated in the first paragraph.

**b) Responsibility of the commandites**

**ARTICLE 325**-(1) If the existence of the company is not sufficient for the creditors of the company, these creditors may apply to the personal property of the limited partnerships due to the remaining receivables.

(2) In case of application to the personal property of the partners, the creditors of the company do not have a pre-emptive right against the personal creditors of the partners.

**c) Bankruptcy of the limited partner**

**ARTICLE 326**-(1) If the company and its bankruptcy desk or its creditors apply to the desk of a bankrupt limited liability company, they do not have a pre-emptive right against the personal creditors of the bankrupt limited liability company.

**4. Exchange**

**ARTICLE 327**-(1) If a person who will receivable from the company has debts to a limited liability company that has not yet fulfilled its capital debt or has reclaimed its capital, this person may exchange his receivables in the company with his debt to the limited liability company. The provision of article 242 is reserved.

SECTION FOUR – Dissolution and Liquidation of the Company

**A) Provisions to be applied**

**ARTICLE 328**-(1) The provisions of Articles 243 to 303 regarding the dissolution and liquidation of the collective companies and the exit and expulsion of the partners from the company are also applied in the limited partnership companies. However, the death or restriction of the limited liability company does not result in the dissolution of the company, unless there is a contrary provision in the articles of association.

PART FOUR – Joint Stock Company

CHAPTER ONE - General Provisions, Establishment and Basic Principles

**A) General Provisions**

**I – Definition**

**ARTICLE 329**-(1) A joint stock company is a company whose capital is definite and divided into shares, and which is liable for its debts only with its assets.

(2) Shareholders are liable only to the capital shares they have committed and to the company.

**II – Joint stock companies subject to special laws**

**ARTICLE 330**-(1) Except for special provisions, the provisions of this part shall apply to joint stock companies subject to special laws.

**III – Purpose and subject**

**ARTICLE 331**-(1) Joint stock companies can be established for all kinds of economic purposes and subjects that are not prohibited by law.

**IV – Minimum capital amount**

**ARTICLE 332**-(1) The basic capital, which represents the capital fully committed in the articles of association, cannot be less than fifty thousand Turkish Liras, and the initial capital cannot be less than one hundred thousand Turkish Liras in non-public joint stock companies that have accepted the registered capital system showing the ceiling of authority granted to the board of directors in increasing the capital. This minimum capital amount can be increased by the President.(1)

(2) In joint stock companies with registered capital within the meaning of this Law, the initial capital is the compulsory capital to be possessed at the establishment and when the system is first introduced; The issued capital represents the sum of the nominal values ​​of all the issued shares.

(3) Joint stock companies that are not open to the public can leave the registered capital system by obtaining permission from the Ministry of Customs and Trade, if they no longer meet the necessary conditions, and if they lose the required qualifications while being admitted to this system, they are removed from the system by the same Ministry even if they do not have a request.

(4) The provisions of Article 28 of the Capital Markets Law dated 7/1981/2499 and numbered 12 are reserved.

**V – State oversight**

**1. Permission**

**ARTICLE 333-**(1) In a communiqué to be published by the Ministry of Customs and Trade, joint stock companies whose fields of activity will be determined and announced shall be established with the permission of the Ministry of Customs and Trade. Changes in the articles of association of these companies are also subject to the permission of the same Ministry. The examination of the Ministry can only be made in terms of whether there is a violation of the mandatory provisions of the law. Apart from this, the establishment of the joint stock company and amendments to the articles of association cannot be subject to the permission of any authority, regardless of its legal position, nature and subject of operation.

**2. Representation of public legal entities in the board of directors**

**ARTICLE 334**- (1) A state, special provincial administration, municipality, village and other public legal entity may be given the right to have a representative on the boards of directors of joint stock companies whose field of operation is public service, even if they are not shareholders, with a provision to be stipulated in the articles of association.

(2) Representatives of public legal entities in the board of directors that are shareholders in the companies mentioned in the first paragraph can only be dismissed by them.

(3) The representatives of public legal entities on the board of directors have the rights and duties of the members elected by the general assembly. Public legal entities are liable to the company and its creditors and shareholders for the acts and actions of their representatives on the board of directors of the company in this capacity. The legal person's right of recourse is reserved.

**B) Establishment**

**I – Founder transaction**

**ARTICLE 335**-(1) The company is established when the founders declare their will to establish a joint stock company in the articles of association, in which they have unconditionally committed to pay the entire capital, their signatures are notarized or signed in the presence of the trade registry director or his deputy. **(Additional sentence: 15 / 7 / 2016-6728 / 67 md.)**In the establishment of the company, valuable paper price is not collected from the papers containing the articles of association.

(2) The provision of the first paragraph of Article 355 is reserved.

**II – Foundation documents**

**ARTICLE 336**-(1) The articles of association, valuation reports, contracts with the company being established, the founders and other persons, including those related to the month and business acquisition, and related to the establishment, are the incorporation documents. These are placed in the registry file and one copy is kept by the company for a period of five years.

**III – Founders**

**1. Definition**

**ARTICLE 337**-(1) Real and legal persons who have committed shares and signed the articles of association are the founders.

(2) If the founders make the transaction written in the first paragraph on behalf of a third person, this person is also considered the founder in terms of liability arising from the establishment. The said third party cannot claim that he does not know something that the person working for him knows or should know.

**2. Minimum number**

**ARTICLE 338**-(1) The existence of one or more shareholders who are shareholders is essential for the establishment of a joint stock company. The provision of Article 330 is reserved.

(2) If the number of shareholders drops to one, the situation is notified in writing to the board of directors within seven days from the date of the transaction resulting in this result. The Board of Directors shall register and announce that the company is a single shareholder joint stock company within seven days from the date of receipt of the notification. In addition, in case the company is established as a single shareholder and the shares are collected by a single person, the name, place of residence and citizenship of the sole shareholder are also registered and announced. Otherwise, the shareholder who does not notify and the board of directors who do not have registration and announcement are responsible for the damage that may arise.

(3) The company cannot acquire its own share as a sole shareholder; can't.

**IV**-**Articles of Association**

**1. Content**

**ARTICLE 339**-(1) The articles of association must be made in writing and the signatures of all founders must be notarized or the articles of association must be signed in the presence of the trade registry director or his deputy.

(2) The following matters are written in the articles of association:

a) The company's trade name and the place where the headquarters will be located.

b) The business subject of the company, with its essential points specified and defined.

c) The capital of the company and the nominal value of each share, the form and conditions of their payment.

d) The share certificates will be registered or bearer; privileges granted to certain shares; turnover limits.

e) Rights and benefits invested as capital other than money; their values; the amount of shares to be paid in return for these, the price of these in case of a transfer of a business and the month, the price of the goods and rights purchased by the founders on behalf of the company for the establishment of the company, and the amount of the fee, allowance or award that should be given to those who served in the establishment of the company.

f) Benefits to be provided to the founders, members of the board of directors and other persons from the profits of the company.

g) Number of members of the board of directors, those authorized to sign on behalf of the company.

h) How the general assemblies will be convened; voting rights.

ı) If the company is limited to a period, this period.

i) How to make announcements of the company.

j) Types and amounts of capital shares committed by the shareholders.

k) Accounting period of the company.

(3) The first members of the board of directors are appointed by the articles of association.

**2. Mandatory provisions**

**ARTICLE 340**-(1) The articles of association may deviate from the provisions of this Law regarding joint stock companies only if this is expressly permitted in the Law. Supplementary articles of association provisions that other laws allow to be stipulated become specific to that law.

**V**-**Confirmation of commitment**

**ARTICLE 341- (Repealed: 26/6/2012-6335/43 art.)**

**VI**-**Capital in kind**

**1. Elements of assets that can be capitalized in kind**

**ARTICLE 342**-(1) Elements of assets, including intellectual property rights and virtual environments, which do not have limited real rights, liens and measures, which can be evaluated and transferred in cash, can be put as capital in kind. Acts of service, personal labor, commercial reputation and undue receivables cannot be capital.

(2) The provisions of Article 128 are reserved.

**2. Appraisal**

**ARTICLE 343**- (1) The value of the capital in kind and the companies and real estates to be taken over during the establishment shall be evaluated by the experts appointed by the commercial court of first instance in the place where the company headquarters will be located. In the valuation report, it is stated that the valuation method applied is the most fair and appropriate choice for everyone in terms of the characteristics of the concrete case; the collectability and exact values ​​of the receivables placed as capital, where the reality, validity and compliance with Article 342 are determined; The amount of share to be allocated for each asset put in kind and the Turkish Lira equivalent are disclosed on satisfactory grounds and in accordance with the necessities of the principle of accountability. The founders (…)(1) and stakeholders can object. The expert judgment approved by the court is final. (1)

**VII – Payment of share prices**

**1. Cash capital**

**ARTICLE 344**-(1) At least twenty-five percent of the nominal value of the shares committed in cash is paid before the registration, and the rest is paid within twenty-four months following the registration of the company. All of the issuance premiums of the shares are paid before registration.

(2) The provisions of the Capital Market Law regarding the payment of share prices are reserved.

**2. Payment place**

**ARTICLE 345**-(1) Cash payments are deposited in a special account to be opened in the name of the company being established in a bank affiliated to the Banking Law No. 19 dated 10/2005/5411, in a way that only the company can use. It is proved by a bank letter to be sent to the trade registry that the amount of the committed shares, which are stipulated in the law or in the articles of association, and which are higher than the ones written in the law, have been paid. The bank pays this amount only to the company upon submission of a letter from the registry office stating that the company has acquired legal personality.

(2) If the company cannot acquire legal personality within three months from the date of notary approval or the signing of the company contract in the presence of the trade registry director or his deputy, as stipulated in the first paragraph of Article 335, the amounts are returned to the owners by the bank upon submission of a registry office letter confirming this matter. . (2)

**3. Shares to be offered to the public**

**ARTICLE 346**- (1) The cash shares that have been committed in the articles of association, but which are specified in the articles of association that they will be offered to the public within two months at the latest from the registration of the company, and which are also guaranteed, are paid from the income obtained from the sale. Public offering of share certificates is made in accordance with the capital market legislation. At the end of the sale period, the nominal value of the shares and the premium for the issuance, if any, are paid to the company, and the amount remaining after the expenses are deducted is paid to the shareholders who offer the shares to the public.

(2) The entire value of the shares offered to the public but not sold in due time, and twenty-five percent of the prices of the shares not offered to the public within the prescribed period are paid within three days following the two-month period.

**VIII – Premium shares**

**ARTICLE 347**-(1) Shares cannot be issued at a price lower than their nominal value. In order for the shares to be issued at a price higher than their nominal value, there must be a provision in the articles of association or a general assembly resolution.

**IX – Founder interests**

**ARTICLE 348**– (1) The founders cannot be granted any benefits, such as money and bonus shares, which may result in a decrease in the company's capital, in return for the effort they spent while establishing the company. The provisions of the articles of association contrary to this provision are invalid. However, after the reserve fund specified in the first paragraph of Article 519 and five percent dividend is set aside for the shareholders from the distributable profit, at most one tenth of the remainder is paid to the founders in the context of usufruct shares.

(2) Joint stock companies established after the entry into force of this Law cancel the founder's share certificates without paying any price before offering the shares to the public; otherwise, the usufruct shares are automatically deemed invalid.

(3) If there is profit that can be distributed, even if the company has decided not to distribute the profit, the founding beneficial owners receive the dividends stipulated in the articles of association.

**X – Founders statement**

**ARTICLE 349**-**(Mülga: 15/7/2016-6728/73 md.)**

**XI – Commitment to public offering**

**ARTICLE 350**-(1) Pursuant to Article 346, if a share is committed to be offered to the public, the public offering is deemed to have been approved by the founders, the board of directors or any authorized body.

**XII – Transaction auditor report**

**ARTICLE 351**-**(Mülga: 26/6/2012-6335/43 md.)**

**XIII – Transfer of share commitment prior to incorporation**

**ARTICLE 352**-(1) The transfer of the share commitment before the registration of the company is invalid against the company.

**XIV – Annulment proceedings**

**ARTICLE 353**-(1) The nullity or absence of a joint stock company cannot be decided. However, if the interests of the creditors, shareholders or the public are seriously endangered or violated by violating the provisions of the law in the establishment of the company, upon the request of the board of directors, the Ministry of Customs and Trade, the relevant creditor or the shareholder, the commercial court of first instance in the place where the company's headquarters is located. the company is dissolved. The court takes the necessary measures on the date the case is opened.

(2) The court may give time to correct the deficiencies and to correct the issues contrary to the articles of association or the law.

(3) Evidence and all necessary information are attached to the petition. As evidence cannot be presented at the trial stage, it cannot be requested from the court to wait for a case and to bring information. However, if the concrete event justifies it, the court may accept the claimant's request to present evidence and bring information, subjecting it to a definite period. The case is subject to the procedure related to urgent works.

(4) The lawsuit must be filed within three months of the company's registration and announcement.

(5) The court decision, in which the lawsuit has been filed and which has become final, is immediately and ex officio registered with the trade registry and announced in the Turkish Trade Registry Gazette, upon the notification of the court. In addition, the board of directors, the registered and announced matter, (…) (1)puts it on the website. (1)

**XV – Registration and announcement of the company**

**ARTICLE 354**-(1) The entire company's articles of association shall be registered in the trade registry of the place where the company's head office is located and announced in the Turkish Trade Registry Gazette within thirty days following the establishment of the company in accordance with the first paragraph of Article 335 for the joint stock companies to be established with the permission of the Ministry of Customs and Trade. Except for the ones listed below, the provisions of the first paragraph of Article 36 are not applicable to the registered and announced articles of association. These are:

a) The date of the articles of association.

b) Trade name and headquarters of the company.

c) The duration of the company, if any.

d) The capital of the company, the form and conditions of its payment, the nominal values ​​of the shares, privileges, if any.

e) Types of share certificates, whether they are bearer or registered.

f) How the company will be represented.

g) Names and surnames, titles, place of residence and citizenship of the members of the board of directors and persons authorized to represent the company.

h) The form of announcements to be made by the company; if there is a provision regarding this in the articles of association, how the decisions of the board of directors will be notified to the shareholders.

(2) Branches are registered in the trade registry of the place where they are located by making reference to the registry record of the center.

(3) **(Değişik: 26/6/2012-6335/14 md.)**The expert report given in accordance with Article 343 is submitted to the trade registry directorate.

**XVI – Acquisition of legal personality**

**ARTICLE 355**-(1) The company acquires legal personality upon registration in the trade registry.

(2) Those who make transactions and make commitments on behalf of the company before registration are personally and severally liable for these transactions and commitments. However, if it is clearly stated that the transactions and commitments are made on behalf of the company to be established in the future and these commitments are accepted by the company within three months after the company's registration in the trade registry, only the company will be liable.

(3) If it is not accepted by the company, the establishment expenses are covered by the founders. They do not have the right of recourse to the shareholders.

**C) cheating against the law**

**ARTICLE 356**-(1) Contracts regarding the acquisition or leasing of an enterprise or company for a price exceeding one tenth of the capital within two years from the registration of the company shall not be valid unless approved by the general assembly and registered with the trade registry. All kinds of dispositions, including payments made before the ratification and registration of these contracts, are void.

(2) Before making the decision of the general assembly, an expert to be appointed by the commercial court of first instance where the company is located, upon the request of the board of directors, appraises the businesses and months to be taken over or leased by the company. The report is official.

(3) The third and fourth paragraphs of Article 421 are applied to the meeting and decision quorum.

(4) The contract is registered and announced with the approval decision of the general assembly.

(5) The provision of this article is not applicable to the month and businesses that constitute the subject of the company's operation or that are acquired through forced execution.

**D) Basic principles**

**I – Equal treatment principle**

**ARTICLE 357**-(1) Shareholders are treated equally under equal conditions.

**II – Prohibition of shareholders borrowing from the company**

**ARTICLE 358**-**(Değişik: 26/6/2012-6335/15 md.)**

(1) Shareholders cannot borrow money from the company unless they fulfill their due debts arising from the capital commitment and the profit of the company together with the free reserves is at a level to cover the losses of the previous years.

SECTION TWO – Board of Directors

**A) in general**

**I – Assignment and selection**

**1. Number and qualifications of members**

**ARTICLE 359**-(1) A joint stock company has a board of directors consisting of one or more persons appointed by the articles of association or elected by the general assembly.

 (2) If a legal person is elected as a member of the board of directors, only one real person designated by the legal person is registered and announced on behalf of the legal person, together with the legal person; In addition, it is immediately announced on the company's website that the registration and announcement has been made. Only this registered person can attend the meetings and vote on behalf of the legal entity.

(3) The members of the board of directors and the real person to be registered on behalf of the legal person must be fully qualified.

(4) The reasons for terminating membership are also an obstacle to being elected.

(5) In companies in which the state, special provincial administration, municipality, village and other public legal persons are shareholders, the listed legal persons or their real person representatives may be elected to the board of directors. In companies with more than two members of the board of directors, more than one real person may be elected to the board of directors to represent the public legal entity, provided that not all of the members are representatives of the same public legal entity.

**2. Representation of certain groups on the board of directors**

**ARTICLE 360**-(1) Provided that it is stipulated in the articles of association, certain share groups, shareholders forming a certain group with their characteristics and qualifications, and the minority may be granted the right to be represented on the board of directors. For this purpose, it may be stipulated in the articles of association that the members of the board of directors will be elected from among the shareholders forming a certain group, certain share groups and the minority, or the right to propose a candidate for the membership of the board of directors may be granted in the articles of association. If there is no justifiable reason, it is obligatory for the candidate proposed by the general assembly to be a member of the board of directors or the candidate belonging to the group and minority to which the right is granted, to be elected as a member. The right to be represented in this way cannot exceed half of the number of members of the board of directors in public joint stock companies. The regulations regarding the independent members of the board of directors are reserved.

(2) According to this article, the shares granted the right to be represented on the board of directors are considered privileged.

**3. Insurance**

**ARTICLE 361**– (1) If the damage that the members of the board of directors may cause to the company through their faults while performing their duties, if the company is insured for a price exceeding twenty-five percent of the company's capital and thus the company is secured, this is announced in the bulletin of the Capital Markets Board in publicly traded companies and also in the stock exchange if the shares are traded in the stock exchange, and are taken into account in the evaluation of conformity with corporate governance principles.

**4. Term of office**

**ARTICLE 362**-(1) Members of the Board of Directors are elected to serve for a maximum of three years. If there is no contrary provision in the articles of association, the same person can be re-elected.

(2) The provision of Article 334 is reserved.

**II – Membership vacancy**

**ARTICLE 363**-(1) Without prejudice to the provision of Article 334, if a membership becomes vacant for any reason, the board of directors elects a person who meets the legal requirements as a member of the board of directors temporarily and submits it to the approval of the first general assembly. The member elected in this way will serve until the general assembly meeting where it is submitted for approval and, if approved, completes the term of his predecessor.

(2) If one of the members of the board of directors is declared bankrupt or his capacity is restricted, or if a member loses the legal requirements for membership or the qualifications stipulated in the articles of association, the membership of that person automatically terminates without the need for any action.

**III – Dismissal**

**ARTICLE 364**-(1) Even if the members of the board of directors are appointed by the articles of association, they can always be dismissed by the decision of the general assembly if there is a relevant item on the agenda or if there is a justified reason even if there is no item on the agenda. A legal person who is a member of the board of directors can change the person registered in his name at any time.

(2) The provision of Article 334 and the right of compensation of the dismissed member are reserved.

**B) Management and representation**

**I - in general**

**1. Fundamentals**

**ARTICLE 365**-(1) A joint stock company is managed and represented by the board of directors. Exceptional provisions in the law are reserved.

**2. Distribution of duties**

**ARTICLE 366**-(1) Every year, the Board of Directors elects a chairman among its members and at least one vice chairman to represent him in his absence. The articles of association may stipulate that the chairman and vice chairman or one of them be elected by the general assembly.

(2) The board of directors may establish committees and commissions, which may include members of the board of directors, for the purpose of monitoring the course of business, preparing reports on the issues to be submitted to it, having their decisions enforced or for internal audit purposes.

**3. Transfer of management**

**ARTICLE 367**-(1) The board of directors may be authorized to transfer the management, partially or completely, to one or more board members or to a third party, according to a provision to be included in the articles of association and an internal directive to be issued. This internal directive regulates the management of the company; It defines the tasks required for this, defines them, indicates their location, and specifically determines who is responsible to whom and is responsible for providing information. Upon request, the board of directors informs the shareholders and creditors who convincingly demonstrate their interests worth protecting, in writing, about this internal directive.

(2) Management, unless transferred, belongs to all members of the board of directors.

**4. Commercial agents and proxies**

**ARTICLE 368**– (1) The board of directors may appoint commercial representatives and commercial proxies.

**5. Duty of care and commitment**

**ARTICLE 369**-(1) Members of the board of directors and third parties in charge of management are under the obligation to fulfill their duties with the care of a prudent manager and to protect the interests of the company by following the rules of honesty.

(2) The provisions of Articles 203 to 205 are reserved.

**II. Power of attorney**

**1. In general**

**ARTICLE 370**-(1) Unless otherwise stipulated in the articles of association or if the board of directors does not consist of a single person, the authority to represent belongs to the board of directors to be used with two signatures.

(2) The board of directors may delegate its representation authority to one or more executive members or to third parties as a manager. At least one member of the board of directors must have the authority to represent.

**2. Scope and limits**

**ARTICLE 371**– (1) Those authorized to represent can carry out all kinds of works and legal transactions that fall within the scope of the company's purpose and business on behalf of the company and can use the company title for this. The right of recourse of the company is reserved due to transactions contrary to the law and the articles of association.

(2) Transactions made by those authorized to represent with third parties outside the scope of the business are also binding on the company; unless it can be proven that the third party knows that the transaction is outside the scope of the business or is in a position to know, as required by the situation. The fact that the company's articles of association has been announced is not sufficient evidence on its own to prove this issue.

(3) Limitation of the power of representation shall not be valid against third parties in good faith; However, the registered and announced restrictions regarding the use of the power of representation only for the works of the head office or a branch, or for use together, are valid.

(4) The fact that the transaction made by the persons authorized to represent is contrary to the articles of association or the resolution of the general assembly does not prevent the third parties in good faith from applying to the company for that transaction.

(5) The company is liable for tortious acts committed by those authorized to represent or manage while performing their duties. The company's right of recourse is reserved.

(6) During the conclusion of the contract, whether the company is represented by a single shareholder or not, the validity of the contract between this shareholder and the company in single shareholder joint stock companies depends on making the contract in writing. This condition does not apply to contracts relating to daily, insignificant and ordinary transactions according to market conditions.

(7) **(Add: 10 / 9 / 2014 - 6552 / 131 md.)** Except for the representatives mentioned above, the board of directors may appoint non-representative members of the board of directors or those who are affiliated with the company with a service contract as commercial representatives or other merchant assistants with limited authority. The duties and authorities of those who will be appointed in this way are clearly determined in the internal directive to be prepared in accordance with Article 367. In this case, the registration and announcement of the internal directive is obligatory. Commercial representatives and other merchant assistants cannot be appointed with the internal directive. Commercial attorneys or other merchant assistants authorized in accordance with this paragraph are also registered and announced in the trade registry. The Board of Directors is jointly and severally liable for any damages that these persons may cause to the company and third parties.

**3. Signature form**

**ARTICLE 372**-(1) Persons authorized to sign on behalf of the company sign under the company's title. The provision of the second paragraph of Article 40 is reserved.

(2) In the documents to be issued by the company, the headquarters of the company, the place where it is registered in the registry and the registry number are shown.

**4. Registration and announcement**

**ARTICLE 373**-(1) The board of directors submits the notarized copy of its decision showing the persons authorized to represent and their representation, to the trade registry to be registered and announced.

(2) After the registration of the power of representation in the trade registry, any legal disability related to the selection or appointment of the relevant persons can be claimed by the company to third parties, provided that it is proved that the disability is known to them.

**III – Duties and powers**

**1. In general**

**ARTICLE 374**-(1) The board of directors and the management in the area entrusted to it are authorized to take decisions on all kinds of business and transactions necessary for the realization of the company's business subject, except those left under the authority of the general assembly in accordance with the law and the articles of association.

11057

**2. Inalienable duties and powers**

**ARTICLE 375**-(1) The inalienable and inalienable duties and powers of the board of directors are as follows:

a) Senior management of the company and giving instructions about them.

b) Determination of the company's management organization.

c) Establishing the necessary order for financial planning, to the extent required by accounting, financial auditing and the management of the company.

d) Appointment and dismissal of directors, persons with the same function and those who have signing authority.

e) Supervising whether the persons in charge of the management act in accordance with the laws, articles of association, internal directives and the written instructions of the board of directors.

f) Keeping the share, board of directors resolution and general assembly meeting and negotiation books, preparing the annual report and corporate governance statement and presenting it to the general assembly, preparing the general assembly meetings and executing the general assembly resolutions.

g) Notifying the court in the presence of insolvency.

**3. Loss of capital, deep in debt**

**a) Call and notification burden**

**ARTICLE 376**-(1) If it is understood from the last annual balance sheet that half of the total capital and legal reserves are unrequited due to loss, the board of directors immediately calls the general assembly for a meeting and presents the remedial measures it deems appropriate to this general assembly.

(2) If, according to the last annual balance sheet, it is understood that two-thirds of the total of the capital and legal reserves are unrequited due to loss, the company automatically dissolves unless the general assembly, which is called for the immediate meeting, decides to suffice with one-third of the capital or to complete the capital.

(3) **(Değişik: 26/6/2012-6335/16 md.)**If there are signs that raise the suspicion that the company is in debt, the board of directors prepares an interim balance sheet on both the going concern basis and the probable selling prices of the assets. If it is understood from this balance sheet that the assets are not sufficient to meet the receivables of the creditors of the company, the board of directors notifies this situation to the commercial court of first instance where the company headquarters is located and requests the bankruptcy of the company. It turns out that before the decision of bankruptcy is given, the creditors of the company's debts in an amount that will cover the company's deficit and eliminate the debt-ridden situation, have accepted in writing that the order of their receivables will be placed in the next order of all other creditors, and the appropriateness, reality and validity of this statement or contract will be determined by the board of directors for the bankruptcy request. be confirmed by the experts appointed by the court. Otherwise, the application made to the court for expert examination is considered as a declaration of bankruptcy.

**b) Concordat(1)**

**ARTICLE 377**- **(Değişik: 28/2/2018-7101/62 md.)**

(1) The board of directors or any creditor may also request a bankruptcy pursuant to Article 376 and the following articles of the Law no.

**4. Early detection and management of risk**

**ARTICLE 378**- (1) In companies whose shares are traded on the stock exchange, the board of directors is obliged to establish an expert committee, run and develop the system in order to detect the causes that endanger the existence, development and continuation of the company, to implement the necessary measures and remedies, and to manage the risk. In other companies, this committee is established immediately if the auditor deems it necessary and notifies the board of directors in writing, and submits its first report at the end of one month following its establishment.

(2) The committee evaluates the situation in its report to the board of directors every two months, points out the dangers, if any, and shows the remedies. The report is also sent to the auditor.

**5. The company accepts its own shares as an acquisition or pledge**

**a) in general**

**ARTICLE 379**- (1) A company cannot accept its own shares as a prudent acquisition or pledge in an amount exceeding one tenth of its basic or issued capital or exceeding it at the end of a transaction. This provision also applies to shares accepted as pledge or acquisition by a third party in his own name but on behalf of the company.

(2) In order for the shares to be accepted as acquisitions or pledges according to the first paragraph, the general assembly must authorize the board of directors. In this authorization, which will be valid for a maximum of five years, the nominal value numbers of the shares to be accepted as acquisitions or pledges are specified, and the lower and upper limits of the price that can be paid to the shares to be mentioned with their total nominal values ​​are indicated. In every permission request, the board of directors states that the legal conditions are met.

(3) In addition to the conditions in the first and second paragraphs, after deducting the prices of the shares to be acquired, the remaining net assets of the company must be at least the sum of the main or issued capital and the reserves that are not allowed to be distributed in accordance with the law and the articles of association.

(4) Pursuant to the above provisions, only shares that have been fully paid for can be acquired.

(5) The provisions in the above paragraphs are also applied in case the shares of the parent company are acquired by the subsidiary company. The Capital Markets Board makes the necessary arrangements in terms of transparency principles and price rules for companies whose stocks are traded on the stock exchange.

**b) Fraud against the law**

**ARTICLE 380**-(1) Legal transactions made by the company with another person for the purpose of acquiring its shares, the subject of which is the granting of advances, loans or guarantees, are void. This clause shall not be applied to the transactions within the scope of the operation of credit and financial institutions and to the legal transactions regarding the granting of advances, loans and guarantees to the employees of the company or its subsidiaries so that they can acquire the shares of the company. However, these exceptional transactions are invalid if they reduce the reserves that the company has to set aside according to the law and the articles of association or violate the rules regarding the expenditure of the reserves regulated in Article 519 and do not allow the company to allocate the reserves stipulated in the Article 520.

(2) In addition, the company's own shares made between the company and the third party and to this person; An arrangement that entitles the company to the account of a subsidiary company or the company in which the company owns the majority of its shares, or envisages such an obligation, is invalid if the transaction would be deemed contrary to Article 379 if the company had bought these shares.

11059

**c) Preventing an imminent and serious loss**

**ARTICLE 381**-(1) A company may acquire its own shares without the authorization decision of the general assembly in accordance with Article 379, if necessary, in order to avoid an imminent and serious loss.

(2) In case the shares are acquired in this way, the board of directors attends the first general assembly;

a) Reason and purpose of the acquisition,

b) The number of the shares acquired, the sum of their nominal values ​​and how much of the capital they represent,

c) Its price and terms of payment,

Provides written information about

**d) Exceptions**

**ARTICLE 382**-(1) A company, without being bound by the provisions of Article 379;

a) If it applies the provisions of Articles 473 to 475 regarding the reduction of its basic or issued capital,

b) If required by the rule of universal succession,

c) If it arises from a legal purchase obligation,

d) For the purpose of collecting a company's receivables from compulsory execution, provided that all the costs have been paid,

e) If the company is a securities company,

can acquire their own shares.

**e) Gratuitous acquisition**

**ARTICLE 383**-(1) A company may acquire its own shares gratuitously, provided that all the prices have been paid.

(2) The provision of the first paragraph is also applied by analogy if the subsidiary company acquires the shares of the parent company gratuitously.

**f) Disposal**

**ARTICLE 384**- (1) Pursuant to subparagraphs (b) to (d) of Article 382 and the provisions of Article 383, the acquired shares are disposed of as soon as they can be transferred without causing any loss to the company, and in any case within three years from their acquisition; unless the sum of these shares owned by the company and the subsidiary company does not exceed ten percent of the company's main or issued capital.

**g) Disposal in case of contrary acquisition**

**ARTICLE 385**-(1) Shares acquired or taken as pledge in violation of Articles 379 to 381 are disposed of or the pledge on them is removed within six months at the latest from the date of their acquisition or acceptance as pledge.

**h) Reduction of capital**

**ARTICLE 386**-(1) In accordance with Articles 384 and 385, shares that cannot be disposed of are immediately destroyed by reducing the capital.

**i) Provisions reserved**

**ARTICLE 387**-(1) Provisions in other laws regarding the company's ability to acquire its own shares are reserved.

11060

**i) Prohibition of undertaking own shares**

**ARTICLE 388**-(1) The company cannot undertake its own shares.

(2) A third party or a subsidiary company's commitment to the company's share in its own name but on behalf of the company is deemed to be the company's commitment to its own share.

(3) In case of violation of the first and second paragraphs, the said shares shall be deemed to have been committed by the founders in the establishment and the members of the board of directors in capital increases and they shall be responsible for the share prices. The founders who prove that they have no faults in the unlawful commitment and the members of the board of directors in capital increases are relieved of responsibility.

(4) The provisions of the first and third paragraphs are applied by analogy to the subsidiaries that have committed the shares of the parent company. The said shares are deemed to have been committed by the members of the board of directors of the subsidiary company. Members are responsible for share prices.

**j) Exercise of rights**

**ARTICLE 389**-(1) Own shares acquired by the company and the shares of the parent company acquired by the subsidiary company are not taken into account in calculating the meeting quorum of the general assembly of the parent company. Except for the acquisition of bonus shares, the company's own shares taken over do not give any shareholding rights. The voting rights and related rights of the parent company shares acquired by the subsidiary are frozen.

**IV – Board meetings**

**1. Decisions**

**ARTICLE 390**-(1) Unless there is an aggravating provision to the contrary in the articles of association, the board of directors convenes with the majority of the total number of members and takes its decisions with the majority of the members present at the meeting. This rule also applies if the board of directors is held electronically.

(2) Members of the Board of Directors cannot vote to represent each other, and they cannot attend meetings by proxy.

(3) If the votes are equal, that issue is left to the next meeting. If there is a tie in the second meeting, the proposal is deemed to be rejected.

(4) If none of the members requests a meeting, the resolutions of the board of directors may also be taken upon the written approval of at least the majority of the total number of members, for a proposal made by one of the members of the board on a certain subject, written in the form of a decision. The fact that the same proposal has been made to all members of the board of directors is the validity condition of the decision to be taken in this way. The approvals do not have to be on the same paper; however, it is necessary for the validity of the decision to be pasted in the resolution book of the board of directors, or converted into a resolution containing the signatures of those who accept it, and put it in the resolution book.

(5) The validity of the decisions depends on their being written and signed.

**2. Superstitious decisions**

**ARTICLE 391**-(1) It may be requested from the court to determine that the decision of the board of directors is invalid. Especially;

a) Contrary to the principle of equal treatment,

b) Does not comply with the basic structure of the joint stock company or does not observe the principle of protection of capital,

11061

c) Violating the inalienable rights of the shareholders or restricting or making it difficult for them to be exercised,

d) Regarding the transfer of these powers, which fall under the non-assignable powers of other bodies,

decisions are superseded.

**3. The right to information and examination**

**ARTICLE 392**-(1) Every member of the board of directors may request information, ask questions and make examinations about all the business and transactions of the company. It cannot be refused to bring any book, book record, contract, correspondence or document requested by a member to the board of directors, to be examined and discussed by the board or members, or to receive information from the manager or employee regarding any issue. If it is rejected, the provision of the fourth paragraph is applied.

(2) In the meetings of the board of directors, like all members of the board of directors, persons and committees assigned to the management of the company are also obliged to provide information. A member's request on this matter cannot be rejected either; questions cannot be left unanswered.

(3) Every member of the board of directors, with the permission of the chairman of the board of directors, can obtain information about the course of business and certain individual affairs from the persons assigned with the company management, and, if necessary, may request the chairman of the board of directors to present the company books and files for examination, in order to fulfill his duties. .

(4) If the chairman rejects the request of a member to obtain information, ask questions and make an examination as stipulated in the third paragraph, the matter is brought to the board of directors within two days. In the event that the Board does not meet or rejects this request, the member may apply to the commercial court of first instance where the company's head office is located. The court may examine and decide the request over the file, the court's decision is final.

(5) The chairman of the board of directors cannot obtain information or inspect the company books and files outside the board of directors' meetings without the permission of the board. If this request of the chairman of the board of directors is rejected, the chairman may apply to the court in accordance with the fourth paragraph.

(6) The rights of a member of the board of directors arising from this article cannot be restricted or removed. The articles of association and the board of directors may extend the rights of the members to obtain information and review.

(7) Each member of the board of directors may request in writing from the chairman to call the board of directors for a meeting.

**4. Prohibition of participating in negotiations**

**ARTICLE 393**-(1) A member of the board of directors cannot participate in negotiations on matters where the personal and non-company interests conflict with the personal and non-company interests of one of his/her descendants or spouse or one of his/her spouse or one of his/her relatives up to the third degree, including third degree. This prohibition is also applied in cases where it is a requirement of the honesty rule that the member of the board of directors does not participate in the negotiations. In cases of hesitation, the decision is made by the board of directors. The relevant member cannot participate in this voting either. Even if the conflict of interest is not known to the board of directors, the relevant member has to explain it and comply with the ban.

(2) The members of the board of directors who act in violation of these provisions and the members who do not object to the attendance of the relevant member when the conflict of interest exists and is known objectively, and the members of the board of directors who decide to attend the meeting of the said member are liable for compensation for the loss incurred by the company due to this reason.

11062

(3) The reason for not participating in the negotiation due to the prohibition and the relevant transactions are written in the resolution of the board of directors.

**V- Financial rights of the members of the board of directors**

**ARTICLE 394**-(1) Members of the board of directors may be paid attendance fees, wages, bonuses, premiums and a share of the annual profit, provided that the amount is determined by the articles of association or the decision of the general assembly.

**VI – Prohibition of making transactions with the company, borrowing from the company**

**ARTICLE 395**-(1) A member of the board of directors cannot take any action with the company on behalf of himself or anyone else without obtaining permission from the general assembly; otherwise, the company may claim that the transaction is invalid. The other party cannot make such a claim.

(2)**(Değişik: 26/6/2012-6335/17 md.)**Non-shareholder members of the board of directors and their relatives listed in article 393, who are not shareholders, cannot borrow cash from the company. For these persons, the company cannot give surety, guarantee and collateral, cannot be held responsible, cannot take over their debts. Otherwise, for the amount owed to the company, the company's creditors can directly follow these people for the company's debts for the amount owed to the company.

(3) Provided that the provision of Article 202 is reserved, companies included in the group of companies can vouch for each other and give guarantees.

(4) Special provisions of the Banking Law are reserved.

**VII - Prohibition of competition**

**ARTICLE 396**- (1) A member of the board of directors cannot enter into a company dealing with the same type of commercial business as a partner with unlimited liability, just as he cannot carry out a commercial business type transaction that falls within the scope of the company's business on his own or someone else's account, without obtaining the permission of the general assembly. The company is free to demand compensation from the members of the board of directors who act contrary to this provision, or to consider the transaction made in the name of the company instead of compensation, and to sue that the benefits arising from the contracts made on behalf of third parties belong to the company.

(2) The election of one of these rights belongs to the members other than the member who violated the provisions of the first paragraph.

(3) These rights become time-barred after three months from the date on which the other members learn that the said commercial transactions have been made or that the member of the board of directors has joined another company, and in any case, one year after the realization of these.

(4) Provisions regarding the responsibilities of the members of the board of directors are reserved.

SECTION THREE – Supervision

**A) in general**

**ARTICLE 397**-(1) Financial statements of joint stock companies and companies subject to audit pursuant to the fourth paragraph are audited by the auditor in accordance with the Turkish Auditing Standards, which are in line with the international auditing standards published by the Public Oversight, Accounting and Auditing Standards Authority. Whether the financial information included in the annual report of the board of directors is consistent with the audited financial statements and whether they reflect the truth is also within the scope of the audit.

(2) Those who are subject to audit must clearly state whether their prepared financial statements have been audited, and if they have been audited, the auditor's opinion should be clearly stated in the title of the relevant financial statement. This provision is also applied to the annual report of the board of directors. Although subject to audit, the financial statements that have not been audited and the annual activity report of the board of directors are considered unedited.

(3) If the financial statements of the company and the group and the annual activity report of the board of directors have been changed after the presentation of the audit report and the change is of a nature to affect the audit reports, the financial statements and the annual report of the board of directors within the framework of the first paragraph are re-audited. The re-audit and its result are specifically described in the report. Appropriate annexes reflecting the re-audit are also included in the auditor's opinion.

(4) Companies that will be subject to audit within the scope of Article 398 are determined by the President.

(5) Joint stock companies outside the scope of the fourth paragraph and cooperatives within the scope of the Law No. 4572 and their superior organizations that are not subject to independent audit are audited in accordance with the provisions of this paragraph. The procedures and principles regarding the audit and the qualifications, ethical principles, duties and powers, election, dismissal or departure of the auditors who will perform the audit pursuant to this paragraph; Matters regarding the content of the audit and audit reports and the presentation of the report to the general assembly shall be regulated by a regulation to be issued by the President. The provisions of the law regarding the responsibility of the auditor are also applied by analogy to the auditors who will conduct audits pursuant to this paragraph.

(6) The financial statements and annual activity report of the board of directors of those who are subject to the audit within the scope of the fifth paragraph, but who do not have the said audit, are deemed not to have been prepared.

**B) Subject and scope**

**ARTICLE 398**-(1) Audit of the financial statements of the company and the group and the annual report of the board of directors; It is the audit of the inventory, accounting and internal audit to the extent required by the Turkish Auditing Standards, the reports given pursuant to article 378 within the meaning of the provisions of this Section, and the annual report of the board of directors within the framework of the first paragraph of article 397. This audit also includes the examination of compliance with the Turkish Accounting Standards, the law and the provisions of the articles of association regarding the financial statements. Auditing is carried out diligently and in accordance with the requirements and ethics of the auditing profession, in the context of the principles determined by the Public Oversight, Accounting and Auditing Standards Authority. The audit is carried out in a way that honestly indicates whether the assets and financial status of the company and the group are reflected in accordance with the honest picture principle within the meaning of Article 515, and if not, the reasons.

(2) Control;

a) The financial statements of the company and the annual activity report of the board of directors within the framework of the first paragraph of article 397 and the second paragraph of article 402,

b) It is done in a way to indicate and explain whether the consolidated financial statements of the Group and the annual activity report of the board of directors within the framework of the first paragraph of article 397 and the second paragraph of article 402 are in harmony with the information obtained by the auditor during the audit.

(3) The auditor responsible for the audit of the financial statements of the group examines the financial statements of the companies included in the consolidated statements of the group, especially the adjustments and offsets related to the consolidation, within the meaning of the first paragraph; unless the consolidated company has been audited in accordance with the provisions of this Section, whether required by law or not. This exception also applies if a company headquartered abroad has been subject to an audit equivalent to the audit stipulated by this Law.

(4) The auditor shall prepare a separate report explaining whether the board of directors has established the system and the authorized committee stipulated in Article 378 in order to timely identify the risks that threaten or may threaten the company and to carry out risk management, and if there is such a system, by issuing a separate report describing the structure of the committee and the practices of the committee. presents its report to the board of directors. The principles of this report are determined by the Public Oversight, Accounting and Auditing Standards Authority.(1)

**C) Auditor**

**I – Election, dismissal and termination of contract**

**ARTICLE 399**-(1) The auditor, by the general assembly of the company; The group auditor is elected by the parent company's general assembly. The auditor must be elected before the end of each activity period and, in any case, the activity period in which he will perform his duty. After the election, the board of directors registers with the trade registry which auditor has assigned the audit task without delay and announces it in the Turkish Trade Registry Gazette and on the website.

(2) Audit duty from the auditor can be withdrawn only as stipulated in the fourth paragraph and if another auditor has been appointed.

(3) The auditor selected to audit the financial statements of the parent company included in the consolidation is considered the auditor of the group financial statements, unless another auditor is selected.

(4) Commercial court of first instance in the place where the head office of the company is located;

a) Board of Directors,

b) Shareholders constituting ten percent of the capital and five percent of the main or issued capital in public companies,

Upon his request, he may appoint another auditor, by listening to the relevant parties and the elected auditor, if a justified reason is required regarding the person of the elected auditor, especially if there is a suspicion that he/she is acting biased.

(5) The case of dismissal and appointment of a new auditor is opened within three weeks following the announcement of the auditor's election in the Turkish Trade Registry Gazette. In order for the minority to file this lawsuit, they must vote against the election of the auditor at the general assembly, have the opposite vote recorded in the minutes, and hold the title of shareholder of the company for at least three months backwards from the date of the general assembly meeting where the election was held.

(6) If an auditor has not been elected until the fourth month of the operating period, the auditor is appointed by the court indicated in the fourth paragraph upon the request of the board of directors, each member of the board of directors or any shareholder. The same provision shall also be applied in cases where the selected auditor refuses to perform his/her duty or terminates the contract, the assignment decision is cancelled, the auditor is unable to fulfill his/her duty due to legal or any other reason or is prevented from performing his/her duty. The court's decision is final. In companies whose trusteeship is carried out by the Savings Deposit Insurance Fund, if an auditor has not been elected until the fourth month of the operating period, the auditor is appointed by the Minister to whom the Savings Deposit Insurance Fund is related, upon the proposal of the company's board of directors. The Minister may delegate this authority to the Fund Board.

(7) In case the auditor is appointed by the court, the court determines the prepayment to be deposited in the court cashier for his fee and possible expenses, taking into account the precedent. These can be appealed within three working days. The court decision is final.

(8) The auditor may terminate the audit contract only if there is a just cause or if an action for dismissal has been filed against him. Disagreements regarding the content of the opinion letter, limitation of the audit by the company or refusal to submit an opinion letter cannot be considered as a justification. The auditor's termination of the contract must be in writing and justified. The auditor is obliged to present the results obtained until the termination date to the general assembly; These results are presented to the General Assembly by making a report in accordance with Article 402.

(9) If the auditor makes a notice of termination pursuant to the provision of the sixth paragraph, the board of directors immediately elects a temporary auditor and submits the notice of termination to the information of the general assembly and the selected auditor to the approval of the same board.

**II – Those who can become auditors**

**ARTICLE 400**- (1) **(Değişik: 26/6/2012-6335/19 md.)** The auditor is the persons authorized by the Public Oversight, Accounting and Auditing Standards Institution, holding the title of certified public accountant or certified public accountant, licensed in accordance with the Law on Certified Public Accountant and Sworn-in Certified Public Accountant, dated 1/6/1989 and numbered 3568, to conduct independent audits, and / or the shareholders may be a capital company consisting of these persons. In the presence of one of the following situations, a certified public accountant, a certified public accountant and/or a capital company and one of their partners and the person or persons working with their partners or with whom the persons mentioned in this sentence work together cannot be an auditor in the relevant company. Namely, one of the ones listed in the previous sentence;

a) If he is a shareholder in the company to be audited,

b) If he is a manager or employee of the company to be audited or has held this title within three years prior to his appointment as an auditor,

c) If the legal representative or representative, member of the board of directors, manager or owner of a legal person, a commercial company or a commercial enterprise affiliated with the company to be audited, or has more than twenty percent share in them, or a descendant of a member of the board of directors or a manager of the company to be audited if someone is a spouse or relative by blood or in-law up to the third degree, including the third degree,

d) If he works in a company that is in connection with the company to be audited or has more than XNUMX% share in such a company, or if he serves in any way with a real person who has more than XNUMX% share in the company of which he will be the auditor,

e) If he has acted or contributed to the keeping of the books of the company to be audited or the preparation of the financial statements,

f) Legal representative, representative, employee, member of the board of directors, partner, owner or real person of the natural or legal person or one of its partners who cannot be an auditor in accordance with subparagraph (e) because he is engaged in or contributed to the keeping of the books or the preparation of the financial statements of the company to be audited. as himself,

g) If he/she works for an auditor who cannot be an auditor because he/she meets the conditions in subparagraphs (a) to (f),

h) If he has earned more than thirty percent of his entire income arising from his professional activity in the last five years from the auditing and consulting activities given to the company to be audited or to companies that have participated in it with more than twenty percent of his income, and he is expected to obtain this in the current year, he cannot become an auditor.

(2) The auditor, who has been elected as an auditor for the same company for a total of seven years within ten years, cannot be re-elected as an auditor unless three years have passed. The Public Oversight, Accounting and Auditing Standards Authority is authorized to determine the procedures and principles regarding the implementation of this paragraph and to shorten the periods specified in this paragraph.

(3) The auditor cannot provide consultancy or service to the company he audited, other than tax consultancy and tax audit, and cannot do this through a subsidiary company.

(4)**(Mülga: 26/6/2012-6335/19 md.)**

**D) Obligation to present and the right to receive information**

**ARTICLE 401**-(1) The company's board of directors has the financial statements and annual report of the board of directors drawn up and approved, and submits them to the auditor without delay. The board of directors provides the auditor with the necessary facilities to examine and audit the company's books, correspondence, documents, assets, debts, safe, valuable papers and inventory.

(2) The auditor requests the board of directors to provide him with all the information necessary for a lawful and careful audit and to present documents that can form a basis. If necessary for the preparations of the year-end audit, the auditor has the powers set forth in the second paragraph of the first paragraph and the first sentence of this paragraph, even before the issuance of the financial statements. If necessary for a careful audit, the auditor may also use the powers set forth in the first and second sentences of this paragraph for the subsidiary and parent companies.(1)

(3) The board of directors of the company that is responsible for issuing the consolidated financial statements, to the auditor who will audit the consolidated financial statements; It has to submit the financial statements of the group, the annual report of the group, the financial statements of the individual company, the annual reports of the boards of directors of the companies, the audit reports of the parent company and subsidiary companies if an audit has been made. The auditor may also use the powers stipulated in the first and second sentences of the first paragraph in terms of parent and subsidiary companies.

(4)Within the scope of the first sentence of the first paragraph, regarding the works and transactions carried out in and before the financial year in which the trustee was appointed for the first time, in the companies where it was decided to appoint a trustee in accordance with Article 4 of the Criminal Procedure Law No. There is no obligation to approve.

**E) Audit report**

**ARTICLE 402**-(1) The auditor prepares a report on the type, scope, nature and results of the audit, written in a clear, understandable and simple language and prepared in comparison with the previous year, on the financial statements.

(2) Furthermore, in a separate report, the examinations of the board of directors on the situation of the company or the group included in the annual report are evaluated by the auditor in terms of their consistency with the financial statements and their fairness.

(3) The auditor bases his assessment on the financial statements of the company, and if he is auditing, the financial statements of the parent company and the group. In the report, firstly, the opinion of the board of directors regarding the financial situation of the company and the group is expressed. In this opinion, especially in the context of auditing the financial statements of the company and the parent company, besides the analysis regarding the existence and future development of the company and the group, the company's board of directors' report and the annual group annual report are examined to the extent allowed by these documents.

(4) In the main part of the audit report;

a) Whether the bookkeeping scheme, financial statements and group financial statements comply with the provisions of the law and the articles of association regarding financial reporting,

b) It is clearly stated whether the board of directors has made the explanations requested by the auditor within the scope of the audit and whether it has given the documents.

(5) In addition, the financial statements and the books on which they are based;

a) Whether it is kept in accordance with the envisaged chart of accounts,

b) Within the framework of Turkish Accounting Standards, whether it reflects the picture of the company's assets, financial and profitability status fairly and honestly.

(6) If an evaluation has been made in accordance with the fourth paragraph of Article 398 within the framework of the audit, the result of this is shown in a separate report.

(7) The auditor signs his report and submits it to the board of directors.

**F) Opinion letters (1)**

**ARTICLE 403**-(1) The auditor explains the result of the audit in the opinion letter. This letter includes the auditor's evaluations as well as the subject, type, nature and scope of the audit, within the framework of the principles determined by the Public Oversight, Accounting and Auditing Standards Authority. In the auditor's letter, if he gives an affirmative opinion, first of all, in the audit conducted in accordance with Article 398 and Turkish Auditing Standards, no contradictions were found in terms of Turkish Accounting Standards and other requirements; According to the information obtained during the audit, the financial statements of the company or the group are accurate, the picture of assets and financial position and profitability are fair and the tables reflect this fairly.

(2) In the opinion letter, it is pointed out that there is no reason to require the responsibility of the board of directors in terms of matters related to the financial statements, if any. The opinion is written as determined by the Public Oversight, Accounting and Auditing Standards Authority and in a language that everyone can understand.

(3) If there are reservations, the auditor may limit the positive opinion or give a negative opinion. A limited positive opinion is given in cases where the financial statements contain discrepancies that can be corrected by the authorized boards of the company and the effects of these discrepancies on the results disclosed in the statements are not extensive and large. The subject and scope of the limitation and how the correction can be made are clearly shown in the limited affirmative opinion letter.

(4) In cases where there are uncertainties in the company books that do not allow the audit to be conducted in accordance with the provisions of this Section and conclusions can be reached, or if there are significant restrictions on the matters to be audited by the company, the auditor may refrain from expressing his opinion by explaining his reasons, even if he does not have evidence to prove them. Avoidance has consequences for negative opinion. The Public Oversight, Accounting and Auditing Standards Authority regulates the reason and method of avoidance and the principles of the justification for this in a communiqué.

(5) **(Değişik: 26/6/2012-6335/20 md.)**In cases where negative opinion is written, the board of directors calls the general assembly for a meeting within four business days following the delivery of the opinion letter and the general assembly elects a new board of directors. Unless otherwise stipulated in the articles of association, former members of the board of directors may be re-elected. The new board of directors prepares financial statements in accordance with the law, articles of association and standards within six months and presents them to the general assembly together with the audit report. In cases where a limited positive opinion is given, the general assembly also decides on the necessary measures and corrections.

(6) **(Annex: 20/11/2017-KHK-696/109 art .; Exactly accepted: 1/2 / 2018-7079 / 102 art.)**The provisions of the fifth paragraph shall not be applied in companies where a trustee is appointed pursuant to Article 5271 of the Law No. 133 due to their affiliation, affiliation or affiliation with terrorist organisations.

**G) Auditors' responsibility arising from keeping confidentiality**

**ARTICLE 404**- (1) **(Change first sentence: 26 / 6 / 2012-6335 / 21 md.)**The auditor and the special auditor, their assistants and their representatives who assist them in the audit are obliged to conduct the audit in an honest and impartial manner and to keep secrets. They cannot use the business and business secrets that they learned during their activities, related to the audit, without permission. Those who violate their obligations intentionally or negligently are liable to the company and to the affiliated companies if they cause damage. If the person causing the damage is more than one, the liability is several.

(2) Persons who are negligent in fulfilling the obligation stipulated in the first paragraph may be awarded compensation of up to one hundred thousand Turkish Liras for each audit, and up to three hundred thousand Turkish Liras for joint stock companies whose shares are traded on the stock exchange, due to the damage they have caused. This limitation on persons whose negligence causes damage is not only applicable if more than one person participated in the audit or if more than one responsible act was carried out, but also if some of the participants acted intentionally.

(3) In case the auditor is a capital company authorized to conduct independent audits, the confidentiality obligation also covers the board of directors, members and employees of this institution.(1)

(4) The indemnity liability arising from these provisions can neither be removed nor reduced by contract.

(5) Claims regarding the auditor's responsibility arising from this article are time-barred in five years, starting from the date of the report. However, if the act constitutes a crime and is subject to a longer statute of limitations than the Turkish Penal Code, that statute of limitations is also applied to the compensation case.

(6) The provisions of the penal legislation regarding reporting a crime are reserved.

**H) Differences of opinion between the company and the auditor**

**ARTICLE 405**-(1) Upon the request of the board of directors or the auditor, upon the request of the board of directors or the auditor, the differences of opinion arising between the company and the auditor regarding the year-end accounts of the company and the group, the financial statements and the annual report of the board of directors, regarding the interpretation or implementation of the provisions of the relevant law, administrative act or articles of association, The commercial court of first instance makes a decision based on the file. The decision is final.

(2) The debtor of the litigation expenses is the company.

**I) Private auditor audit for group relations**

**ARTICLE 406**-(1) a) If the auditor has written a limited positive opinion or letter of refusal regarding the company's relations with the controlling company or group companies, or

b) If the board of directors has declared that the company has suffered losses due to certain legal actions or measures implemented by the group and therefore no compensation has been made,

Upon the request of any shareholder, a special auditor may be appointed by the commercial court of first instance in the place where the head office of the company is located, to examine the relationship of the company with the controlling company or one of the affiliated companies of the controlling company.

PART FOUR - General Assembly

**A) in general**

**ARTICLE 407**-(1) Shareholders exercise their rights regarding company business at the general assembly. Legal exceptions are reserved.

(2) Executive directors and at least one member of the board of directors must be present at the general assembly meeting. Other members of the board of directors may attend the general assembly meeting. Auditor (…) (1) is present at the general assembly. Members and auditors may express their opinions.

(3) The representative of the Ministry of Customs and Trade also takes part in the general assembly meetings of the companies determined in accordance with Article 333. In other companies, in which cases the Ministry representative will be present at the general assembly, the procedures and principles regarding the appointment of the representatives for the general assembly meetings, their qualifications, duties and powers, as well as the fee schedules are regulated by a regulation to be issued by the Ministry of Customs and Trade. The expenses and fees of the Ministry representative to attend the meeting are covered by the relevant company.

**B) Duties and authorities**

**ARTICLE 408**-(1) The general assembly takes decisions in cases expressly stipulated in the law and the articles of association.

(2) Without prejudice to the non-assignable duties and powers stipulated in various provisions, the following duties and powers of the general assembly cannot be transferred:

a) Changing the articles of association.

b) Election of the members of the board of directors, determination of their terms, wages and their rights such as attendance fee, bonus and premium, decision on their release and dismissal.

c) **(Değişik: 26/6/2012-6335/22 md.)**Dismissal by election of the auditor, except for the exceptions stipulated in the law.

d) Making decisions regarding the use of financial statements, the annual report of the board of directors, savings on annual profit, determination of dividends and profit shares, including the participation of the reserve fund in the capital or the profit to be distributed.

e) Dissolution of the company, except for the exceptions stipulated in the law.

f) Wholesale of substantial company assets.

(3) In joint stock companies with one shareholder, this shareholder has all the powers of the general assembly. Decisions to be taken by the sole shareholder in the capacity of the general assembly must be in writing in order for them to be valid.

**C) Meetings**

**ARTICLE 409**-(1) General assemblies are held ordinarily and extraordinarily. The ordinary meeting is held within three months from the end of each activity period. At these meetings, negotiations are held and decisions are made regarding the election of the organs, the financial statements, the annual report of the board of directors, the use of the profit, the determination of the proportions of the profit and earnings shares to be distributed, the release of the members of the board of directors, and other matters that are relevant to the activity period and deemed necessary.

(2) If necessary, the general assembly is called for an extraordinary meeting.

(3) Unless there is a provision in the articles of association to the contrary, the general assembly convenes at the place where the head office of the company is located.

**D) Call**

**I – Authority**

**1. Authorized and assigned bodies**

**ARTICLE 410**-(1) Even if the general assembly has expired, it may be called by the board of directors. Liquidators may also call the general assembly meeting for matters related to their duties.

(2) In cases where the board of directors cannot convene continuously, the meeting quorum is not possible or does not exist, a single shareholder may call the general assembly meeting with the permission of the court. The court's decision is final.

**2. Scarcity**

**a) in general**

**ARTICLE 411**-(1) Shareholders constituting at least one-tenth of the capital and one-twentieth of the publicly traded companies may request the board of directors to call the general assembly meeting or, if the general assembly is already to be convened, to put on the agenda the issues they want to be resolved, by stating the necessary reasons and the agenda in writing. With the articles of association, the right of call may be granted to the shareholders with a smaller number of shares.

(2) The request to put an item on the agenda must have reached the board of directors before the payment of the announcement fee for the publication of the call notice in the Turkish Trade Registry Gazette.

(3) The request for the call and adding an item to the agenda is made through the notary public.

(4) If the board of directors accepts the call, the general assembly is called for a meeting to be held within forty-five days at the latest; otherwise, the call is made by the claimants.

**b) Court's permission**

**ARTICLE 412**- (1) If the requests of the shareholders regarding the call or adding an item to the agenda are rejected by the board of directors or if the request is not answered positively within seven working days, the commercial court of first instance in the place where the company headquarters is may decide to convene the general assembly upon the application of the same shareholders. If the court deems the meeting necessary, it appoints a trustee to set the agenda and make the call in accordance with the provisions of the Law. In his decision, he indicates the duties of the trustee and his authority to prepare the necessary documents for the meeting. Unless there is an obligation, the court decides by examining the file. The decision is final.

**II – Agenda**

**ARTICLE 413**-(1) The agenda is determined by the person calling the general assembly meeting.

(2) Matters that are not on the agenda cannot be discussed and decided upon in the general assembly. Legal exceptions are reserved.

(3) The dismissal of the members of the board of directors and the election of the new ones are considered to be related to the discussion of the year-end financial statements.

11071

**III – Form of the call**

**1. In general**

**ARTICLE 414**-(1) The general assembly is called to the meeting as indicated in the articles of association, by an announcement published on the company's website and in the Turkish Trade Registry Gazette. This call is made at least two weeks before the meeting date, excluding the announcement and meeting days. The day of the meeting and the newspapers in which the announcement is or will be published are notified by registered letter with return receipt.

(2) The provisions of the sixth paragraph of Article 11 of the Capital Markets Law are reserved.

**2. Shareholders authorized to attend the general assembly**

**ARTICLE 415**-(1) Shareholders whose names are included in the "list of attendees" prepared by the board of directors may attend the general assembly meeting.

(2) The owners of the registered shares of the shares, certificates and certificates whose names are included in the list of attendees, and the shareholders who are registered in accordance with Article 10/A of the Capital Market Law or the representatives of the aforementioned attend the general assembly. It is obligatory for real persons to show identification, and for representatives of legal persons to present a power of attorney.

(3) Holders of bearer share certificates, at the latest one day before the meeting date of the general assembly, can attend the general assembly meeting by proving that they are the owner of these notes, and presenting these cards. However, shareholders who prove that they have taken over the bearer share certificate on a date after the issuance of the access card may also attend the general assembly.

(4) The right to attend the general assembly and to vote cannot be made conditional on depositing the documents or share certificates proving that the shareholder is the owner of the shares in the company, in a credit institution or elsewhere.

**3. Uncalled general assembly**

**ARTICLE 416**- (1) The owners or representatives of all shares may convene as a general assembly and take decisions as long as the quorum for this meeting exists, without observing the procedure regarding the call, provided that the provisions regarding participation in the general assembly and holding the general assembly meetings are reserved, unless one of them objects.

(2) An item may be added to the agenda unanimously in the general assembly meeting without an invitation; on the contrary, the provisions of the articles of association are invalid.

**E) Holding the meeting**

**I – Attendance list**

**ARTICLE 417**-(1) The Board of Directors arranges the list of the shareholders of the registered shares that can attend the general assembly in accordance with the Article 10/A of the Capital Markets Law, according to the “shareholders chart” to be obtained from the Central Registry Agency.

(2) While the board of directors prepares the list of those who can attend the general assembly regarding the shares that are not registered, it takes into account the share book entries for the shares that are not registered in the year or registered, and for the holders of certificates, and those who receive the entry card for the bearer share certificates.

11072

(3) The list of those who can attend the general assembly to be held in accordance with the first and second paragraphs of this article is signed by the chairman of the board of directors and is kept at the place where the general assembly will be held before the meeting. In particular, the names and surnames or titles of the shareholders, their addresses, the amount of shares they hold, the nominal values ​​of the shares, their groups, the amount paid with the company's basic capital or the issued capital, and the places of signature of those who will attend the meeting originally and by way of representation are shown in the list.

(4) The list signed by those attending the general assembly is called the “list of attendees”.

(5) The procedures and principles of obtaining the shareholder chart from the Central Registry Agency in accordance with Article 10/A of the Capital Markets Law, the prohibition of the transfer of shares limited to the day of the general assembly meeting, if necessary, and other related issues, with a communiqué by the Capital Markets Board. is arranged.

**II – Meeting and decision quorum**

**ARTICLE 418**- (1) General assemblies are held with the presence of the owners or representatives of the shares that meet at least one fourth of the capital, except for the cases where a heavier quorum is stipulated in this Law or the articles of association. This quorum must be maintained throughout the meeting. If the mentioned quorum is not reached in the first meeting, the quorum is not sought for the second meeting to be held.

(2) Decisions are made with the majority of the votes present at the meeting.

**III – Meeting presidency and internal directive**

**ARTICLE 419**-(1) Unless otherwise stated in the articles of association, the meeting is chaired by a chairman elected by the general assembly, who is not necessarily a shareholder. The President determines the minutes clerk and, if necessary, the vote collector and creates the presidency. If necessary, a vice president may also be elected.

(2) The joint stock company board of directors prepares an internal directive containing the rules regarding the working principles and procedures of the general assembly, the minimum elements of which will be determined by the Ministry of Customs and Trade, and puts it into effect after the approval of the general assembly. This internal directive is registered and announced.

**IV – Postponing the meeting**

**ARTICLE 420**- (1) The discussion of the financial statements and related matters are postponed one month after the meeting chairman's decision, without the need for a resolution of the general assembly, upon the request of the shareholders holding one-tenth of the capital and one-twentieth of the publicly traded companies. The postponement is announced to the shareholders as written in the first paragraph of Article 414 and published on the website. For the following meeting, the general assembly is called to the meeting in accordance with the procedure stipulated in the law.

(2) It is obligatory that the discussion of the financial statements can be requested to be postponed once after the request of the minority, and that the points of the financial statements that have been objected to and that have been recorded in the minutes have not been answered by the relevant parties in accordance with the principles of fair accountability.

11073

**V – Meeting and decision quorums for amendments to the articles of association**

**ARTICLE 421**-(1) Unless there is a contrary provision in the law or the articles of association, resolutions amending the articles of association are taken with the majority of the votes present at the general assembly, where at least half of the company's capital is represented. If the meeting quorum stipulated in the first meeting is not achieved, a second meeting can be held within one month at the latest. The meeting quorum for the second meeting is that at least one third of the company's capital is represented at the meeting. The provisions of the articles of association that reduce the quorums stipulated in this paragraph or stipulate the relative majority are invalid.

(2) The following resolutions on amendments to the articles of association are taken unanimously by the owners or representatives of the shares constituting the entire capital:

a) Decisions placing liability and subsidiary liability to cover balance sheet losses.

b) Decisions regarding the relocation of the company's headquarters abroad.

(3) The following resolutions on amendments to the articles of association are taken with the affirmative votes of the owners or representatives of the shares constituting at least seventy-five percent of the capital:

a) Changing the business subject of the company completely.

b) Creation of privileged shares.

c) Limitation of the transfer of registered shares.

(4) If the quorums stipulated in the second and third paragraphs are not reached in the first meeting, the same quorum is sought in the following meetings.

(5) For companies whose shares are traded on stock exchanges, the meeting quorum in Article 418 is applied at the general assembly meetings to be held in order to take decisions on the following issues, unless there is a contrary provision in their articles of association:

a) Changes in the articles of association regarding capital increase and raising the registered capital ceiling.

b) Decisions regarding merger, division and conversion.

(6) Registered shareholders who voted negatively for the general assembly resolution regarding the change of the subject of the business completely or the creation of privileged shares are not bound by the restrictions on the transferability of the shares for six months following the publication of this resolution in the Turkish Trade Registry Gazette.

**VI – Minute**

**ARTICLE 422**-(1) The minutes contain the shareholders or their representatives, the shares they hold, their groups, their numbers, their nominal values, the questions asked at the general assembly, the answers given, the decisions taken, the number of positive and negative votes used for each resolution. The minutes are signed by the meeting chairmanship and the Ministry representative; otherwise it is invalid.

(2) The board of directors is obliged to immediately submit a notarized copy of the report to the trade registry directorate and to have the matters subject to registration and announcement in this report registered and announced; The report is also immediately posted on the company's website.

**VII – Impact of decisions**

**ARTICLE 423**-(1) Decisions made by the General Assembly are also valid for the shareholders who are not present at the meeting or who cast negative votes.

**VIII - Decision on approval of the balance sheet**

**ARTICLE 424**-(1) The general assembly decision regarding the approval of the balance sheet results in the acquittal of the members of the board of directors, managers and auditors, unless the decision is clear to the contrary. However, if some issues are not stated at all or properly in the balance sheet, or if the balance sheet contains some issues that will prevent the real situation of the company from being seen, and if a conscious action is taken in this regard, the approval does not have the effect of acquittal.

**F) Personal rights of the shareholder**

**I – Attending the general assembly**

**Principle 1**

**ARTICLE 425**-(1) The shareholder may attend the general assembly himself, in order to exercise his rights arising from his shares, or he may send a shareholder or non-shareholder to the general assembly as his representative. The articles of association stipulating that the representative be a shareholder is invalid.

**2. Being authorized against the company**

**ARTICLE 426**-(1) Shareholder rights arising from undocumented shares, registered share certificates and certificates are exercised by the shareholder registered in the share book or by the person authorized in writing by the shareholder.

(2) The person who proves that he has the owner of the bearer share certificate is authorized to use the rights arising from the shareholding against the company.

**3. Representation of the shareholder**

**a) in general**

**ARTICLE 427**-(1) The person who uses his participation rights as a representative obeys the instructions of the represented. Violation of the instruction does not invalidate the vote. The rights of the represented against the representative are reserved.

(2) The person who holds the bearer share certificate due to pledge, lien right, custody agreement or usage loan agreement and similar agreements can use his shareholding rights only if he is authorized with a special written document by the shareholder.

**b) Representative of the body, independent representative and institutional representative**

**ARTICLE 428**-**(Mülga: 15/2/2018-7099/23 md.)**

11075

**c) The depositor's representative**

**ARTICLE 429**- (1) If the depositor's representative is authorized to use the participation and voting rights arising from the shares and share certificates entrusted to him, he must apply to the depositor before each general assembly meeting for instructions on how to act.

(2) If it has been requested in time and the instruction has not been received, the entrusted person uses his right to participate and vote in accordance with the general instruction of the depositor; In the absence of such an instruction, the vote is cast in the direction of the suggestions made by the board of directors.

(3) The persons deposited within the meaning of this article, the principles and procedures to which they will be bound and the content of the representation document shall be regulated by a regulation by the Ministry of Customs and Trade.

**d) Declaration**

**ARTICLE 430**-**(Mülga: 15/2/2018-7099/23 md.)**

**e) Notice**

**ARTICLE 431**-**(Mülga: 15/2/2018-7099/23 md.)**

**4. Multiple rights holders**

**ARTICLE 432**-(1) If a share is jointly owned by more than one person, they may appoint one of them or a third person as a representative to exercise their rights arising from the share at the general assembly.

(2) In the event that a share has a usufruct right, the right to vote is exercised by the usufruct owner, unless otherwise agreed. However, the usufructuary is liable to the shareholder for not acting by considering the interests of the shareholder in an equitable manner.

**II – Unauthorized participation**

**ARTICLE 433**-(1) The transfer of shares or share certificates or the transfer of share certificates to another person in order to circumvent or in any way nullify the restrictions on the exercise of the voting right is invalid.

(2) Regarding unauthorized participation, each shareholder may object to the chairmanship of the meeting, and have his objection recorded in the minutes that he has made an objection to the board of directors.

**III – Voting right**

**Principle 1**

**ARTICLE 434**-(1) Shareholders use their voting rights at the general assembly in proportion to the total nominal value of their shares. The provision of the fifth paragraph of Article 1527 is reserved.

(2)Each shareholder has at least one voting right even if he owns only one share. In so far, the number of votes to be given to those holding more than one share may be limited by the articles of association.

(3) If the nominal value of the shares is reduced during the correction of the financial situation of the company, the voting right granted over the nominal value of the shares before the discount may be preserved.

(4) The Ministry of Customs and Trade may regulate cumulative voting in non-public joint stock companies with a communiqué.

**2. Birth of the right to vote**

**ARTICLE 435**-(1) The right to vote arises with the payment of the minimum amount of the share determined by law or the articles of association.

**3. Lack of vote**

**ARTICLE 436**- (1) The shareholder may not vote in negotiations regarding a personal business or transaction or a lawsuit in any judicial institution or arbitrator between himself, his spouse, descendants, or the sole proprietorships of which they are partners, or the capital companies under their control, and the company.

(2) Members of the company's board of directors and persons who are authorized to sign in the management cannot use their voting rights arising from their own shares in the resolutions regarding the acquittal of the members of the board of directors.

**IV – The right to information and examination**

**ARTICLE 437**-(1) Financial statements, consolidated financial statements, annual activity report of the board of directors, audit reports and profit distribution proposal of the board of directors are made available for inspection by the shareholders at the company's headquarters and branches at least fifteen days before the general assembly meeting. Of these, financial statements and consolidated statements are kept open for shareholders to obtain information at the head office and branches for a period of one year. Each shareholder may request a copy of the income statement and balance sheet at the expense of the company.

(2) Shareholder's general assembly, the company's business from the board of directors; may request information from the auditors about the method and results of the audit. The obligation to provide information also covers the affiliated companies of the company within the framework of Article 200. The information to be given must be careful and truthful in terms of accountability and honesty principles. If any of the shareholders has been given information on a subject other than the general assembly due to this capacity, upon the request of another shareholder, the same information is given in the same scope and detail, even if it is not related to the agenda. In this case, the board of directors cannot rely on the third paragraph of this article.

11077

(3) Providing information can only be refused on the grounds that if the requested information is given, company secrets will be disclosed or other company interests that need to be protected may be endangered.

(4) In order to examine the parts of the company's commercial books and correspondence that concern the question of the shareholder, the express permission of the general assembly or the decision of the board of directors on this matter is required. If permission is obtained, the examination can also be carried out through a specialist.

(5) The shareholder whose requests for information or examination are left unanswered, unfairly rejected, postponed and unable to receive information within the meaning of this paragraph, may apply to the commercial court of first instance, where the headquarters of the company is located, within ten days following the rejection, and in other cases after a reasonable period of time. The application is examined according to the simple trial procedure. The court decision may also include the instruction and form of giving information outside the general assembly. The court decision is final.

(6) The right to receive and review information cannot be abolished or limited by the articles of association or by a decision of one of the company's organs.

**V – Right to request special audit**

**1. Admission of the general assembly**

**ARTICLE 438**-(1) Each shareholder may request the general assembly to clarify certain events with a special audit, even if they are not on the agenda, if necessary for the exercise of their shareholder rights and if the right to obtain information or review has been exercised before.

(2) If the general assembly approves the request, the company or each shareholder may request the appointment of a special auditor from the commercial court of first instance in the place where the company headquarters is located, within thirty days.

**2. Rejection of the general assembly**

**ARTICLE 439**-(1) In case the general assembly rejects the special audit request, the shareholders constituting at least one tenth of the capital and one twentieth of the publicly traded joint stock companies, or the shareholders with a nominal value of at least one million Turkish Liras in total, shall be discharged from the commercial court of first instance in the place where the company headquarters is located, within three months. may request the appointment of a special auditor.

(2) A special auditor shall be appointed if the petitioners, founders or company bodies convincingly demonstrate that they have harmed the company or the shareholders by violating the law or the articles of association.

**3. Assignment**

**ARTICLE 440**-(1) The court gives its decision after hearing the company and the claimants.

(2) If the court deems the request appropriate, it determines the subject of investigation within the framework of the request and assigns one or more independent experts. The court's decision is final.

**4. Mission**

**ARTICLE 441**-(1) The private audit should be carried out within a useful time and without undue disruption to the company's business.

(2) The board of directors permits the examination of the company's books, writings including correspondence, assets, especially safes, valuable papers and goods.

(3) Founders, bodies, proxies, employees, trustees and liquidators are obliged to inform the special auditor about important facts. In case of disagreement, the court makes the decision. The court's decision is final.

11078

(4) The special auditor receives the opinion of the company on the results of the special audit.

(5) The special auditor is obliged to keep secrets.

**5. Report**

**ARTICLE 442**-(1) The special auditor submits a detailed report to the court regarding the result of the examination, while keeping the company's secrets.

(2) The court notifies the company of the report and decides on the company's request whether the disclosure of the report will harm the company's secrets or other interests of the company that are worth protecting, and therefore not to be presented to the claimants.

(3) The court provides the company and the claimants with the opportunity to report their evaluations and ask additional questions about the announced report.

**6. Processing and disclosure**

**ARTICLE 443**-(1) The board of directors presents the report and the related evaluations to the first general assembly.

(2) Each shareholder may request a copy of the report and the opinion of the board of directors from the company within one year following the general assembly meeting.

**7. Expenses**

**ARTICLE 444**-(1) If the court has accepted the appointment of a special auditor, it specifies the advance and expenses to be paid by the company. Expenses may be partially or fully charged to the claimants if special circumstances and conditions justify it.

(2) If the general assembly has decided to appoint a special auditor, the expenses will be borne by the company.

**G) Cancellation of general assembly resolutions**

**I – Reasons for cancellation**

**ARTICLE 445**-(1) Persons specified in Article 446 may file an action for annulment at the commercial court of first instance in the place where the headquarters of the company is located, against the general assembly resolutions which are contrary to the provisions of the law or the articles of association and especially the rule of good faith, within three months from the date of the decision.

**II – Persons who can file an action for annulment**

**ARTICLE 446**-(1) a) Having been present at the meeting and voting negatively for the resolution and having this opposition recorded in the minutes,

b) Whether he is present at the meeting or not, whether he has voted negatively or not; Shareholders claiming that the call was not duly made, the agenda was not duly announced, that persons or their representatives who were not authorized to attend the general assembly attended the meeting and cast their votes, that they were not unjustly allowed to attend and vote in the general assembly, and that the above-mentioned contradictions were effective in the decision of the general assembly,

c) Board of directors,

d) If the execution of the resolutions will cause personal liability, each member of the board of directors may file an action for annulment.

**H) Butlan**

**ARTICLE 447**-(1) General assembly, especially;

a) Limiting or eliminating the inalienable rights of the shareholder arising from participation in the general assembly, minimum votes, lawsuits and laws,

b) Limiting the shareholder's right to obtain information, examination and inspection, except to the extent permitted by law,

c) Decisions that distort the basic structure of the joint stock company or are contrary to the provisions of the protection of capital are invalid.

**I) Miscellaneous provisions**

**I – Announcement, guarantee and legal remedy**

**ARTICLE 448**-(1) The board of directors duly announces that the action for annulment or nullity has been filed and the hearing date, and puts it on the company's website.

(2) In the action for annulment, the hearing cannot be started before the expiry of the three-month period of foreclosure. If more than one annulment action is filed, the lawsuits will be combined.

(3) The court, upon the request of the company, may decide to provide security for the plaintiffs against possible damages. The court determines the quality and amount of the guarantee.

**II – Postponement of execution of the decision**

**ARTICLE 449**-(1) If an action for annulment or nullity is filed against the decision of the general assembly, the court may decide to defer the execution of the decision subject to the lawsuit, after taking the opinion of the members of the board of directors.

**III – Impact of the decision**

**ARTICLE 450**- (1) The court decision regarding the annulment or nullity of the general assembly resolution becomes effective for all shareholders after it becomes final. The board of directors must immediately register a copy of this decision with the trade registry and put it on the website.

**IV – Responsibility of those who file an action for annulment and nullity in bad faith**

**ARTICLE 451**-(1) If an action for annulment or nullity is filed against the decision of the General Assembly, the plaintiffs are jointly and severally liable for the losses incurred by the company for this reason.

SECTION FIVE – Amendment of the Articles of Association

**FIRST DECEMBER** - **Generally**

**A) Principle**

**ARTICLE 452**-(1) The general assembly may change all the provisions of the articles of association by complying with the conditions stipulated in the law, unless there is a provision in the articles of association to the contrary; Acquired and inalienable rights are reserved.

**B) Procedure**

**I - GümrüMinistry of k and CommerceLIGHTpermission and general assembly resolution**

**ARTICLE 453**-(1) If the general assembly is called for a meeting to amend the articles of association; Pursuant to Article 333, the approval of the Ministry of Customs and Trade is required in companies, and in other companies, the amendment draft, which has been decided by the board of directors, together with the current provisions to be amended, is the first of the article 414.

11080

It must be declared as stated in the first sentence of the paragraph. The quorums stipulated in Article 421 are applied to the decision of the General Assembly.

**II – Privileged Shareholders Special Board**

**ARTICLE 454**– (1) If the decision of the general assembly to amend the articles of association, to authorize the board of directors to increase the capital and the decision of the board of directors to increase the capital is of such a nature as to violate the rights of the privileged shareholders, this decision shall be made in a special meeting to be held by the said shareholders, in accordance with the following provisions, with a decision to be taken. cannot be implemented until approved.

(2) The board of directors calls the special board for a meeting within one month from the date of the announcement of the general assembly decision at the latest. Otherwise, each privileged shareholder may request from the commercial court of first instance, where the headquarters of the company is located, within fifteen days, starting from the last day of the calling period of the board of directors.

(3) The special assembly convenes with the majority of sixty percent of the capital representing the privileged shares and takes decisions with the majority of the shares represented at the meeting. If it is concluded that the rights of the privileged shareholders have been violated, the decision is stated with a reasoned report. The report must be submitted to the company's board of directors within ten days. Along with the minutes, the list containing the minimum number of signatures of those who voted negatively for the approval of the general assembly resolution, and a joint notification address to be valid for the lawsuit that may be filed pursuant to the provisions of the eighth paragraph of this article, is also given to the board of directors. The report is registered and announced in the Turkish Trade Registry Gazette, together with the accompanying information. If the conditions in this provision are not complied with, the decision of the special board shall be deemed not to have been taken.

(4) In the general assembly, if the owners or representatives of the privileged shares have voted affirmatively to amend the articles of association, in accordance with the meeting and decision quorum stipulated in the third paragraph, a separate special meeting is not held.

(5) If the special assembly cannot convene within the time limit despite the call, the general assembly decision is deemed to have been approved.

(6) In the special assembly meeting, within the framework of the third paragraph of Article 407, the representative of the Ministry is also present and signs the report.

(7) Against the decision of the special assembly not to approve, the board of directors may file a lawsuit for the annulment of this decision and the registration of the general assembly resolution, within one month from the date of the decision, at the commercial court of first instance where the headquarters of the company is located, on the grounds that the said resolution of the general assembly does not violate the rights of the shareholders. .

(8) The action for annulment is directed against those who cast negative votes for the approval of the general assembly resolution.

**III – Registration**

**ARTICLE 455**-(1) The general assembly resolution regarding the amendment of the articles of association is registered by the board of directors in the trade registry of the place where the head office and branches of the company are located; in addition, the issues related to the announcement are announced; The registered and announced decision is posted on the company's website. The change decision is not valid before registration against third parties.

11081

**SECOND AYIRIM** - **Special Changes**

**A) Increasing the capital**

**I – Common provisions**

**1. In general**

**ARTICLE 456**-(1) Except for the increase made from internal resources, the capital cannot be increased unless the cash values ​​of the shares are fully paid. The fact that the amounts that are not considered important in relation to the capital have not been paid does not prevent the capital increase.

(2) According to Article 459 of the basic capital system, the general assembly; In the registered capital system, in accordance with Article 460, the board of directors decides. If the amended version of the relevant provisions of the articles of association, for which permission is obtained, is accepted after being amended at the general assembly, it must be approved by the Ministry of Customs and Trade.

(3) If the increase cannot be registered within three months following the decision of the general assembly or the board of directors, the decision of the general assembly or the board of directors and, if taken, the permission becomes invalid and the second paragraph of article 345 is applied.

(4) Articles 353 and 354 and the first paragraph of Article 355 are applied by analogy to all types of capital increase.

(5) Without prejudice to the following special provisions, Article 455 is applied to the registration of the decision to increase the capital.

**2. Statement of the board of directors**

**ARTICLE 457**-(1) A statement is signed by the Board of Directors according to the type of capital increase. The statement is prepared in accordance with the principle of giving information in a clear, complete, correct and honest way.

(2) Declaration;

a) If cash capital is put in; the increased portion has been fully committed and the amount required to be paid in accordance with the law or the articles of association has been paid; If capital in kind is added or taken over for a month, it is appropriate to pay for these (…)(1) the capital in kind taken over, the type of the same, the method of evaluation, its accuracy and justification; if a debt is exchanged, its existence, validity and exchangeability; the free disposal of the capitalized fund or reserve; the approvals of the necessary bodies and institutions have been obtained; legal and administrative requirements are fulfilled; if the priority rights are limited or removed, the reasons, amount and rate; There are documented and reasoned explanations about who, why and at what price the unused priority rights are granted. (1)

b) Guarantees are given as to the sources from which the capital increase made from internal sources is met, the reality of these sources and their existence within the company's assets.

c) The compliance of the conditional capital increase and its implementation with the law shall be stated.

D) (…)(2) Information is given about the fees paid to service providers and other persons, and the benefits provided, by comparing them with their peers. (2)

--------------

*(1) With the Article 15 of the Law No. 7 dated 2016/6728/73, the phrase “and in case the matters in Article 349 are present in the concrete case, explanations regarding them” in this paragraph has been repealed.*

*(2) With the 26st article of the Law dated 6/2012/6335 and numbered 41, the phrase “with the transaction auditor examining the capital increase” was removed from the text of the article.*

11082

**3. Inspection report**

**ARTICLE 458**-**(Mülga: 26/6/2012-6335/43 md.)**

**II – Increase through capital commitment**

**1. In the main capital system**

**ARTICLE 459**-(1) All of the shares representing the increased capital are committed either in the different articles of association or in the participation commitments.

(2) The participation commitment is made in writing, unconditionally and unconditionally, within the framework of Article 461 on purchasing new shares. The subsidiary undertaking, by specifying the capital increase that caused the issuance of the undertaking; It includes the number of the subscribed shares, their nominal values, types, groups, the amount paid in advance, the period of commitment and the issuance premium, if any, and the signature of the subscriber.

(3) In this type of capital increase, article 341 is applied to the cash capital commitment, 342nd and 343th articles to the capital in kind, 344th and 345th articles to the payment of the costs, 346th to the shares to be offered to the public, and 347th to the shares to be issued by analogy.

**2. In the registered capital system**

**ARTICLE 460**-(1) In a joint stock company that is not open to the public, if the authority to increase the capital up to the registered capital ceiling determined in the articles of association is granted to the board of directors, with the original or amended articles of association, this board shall make the capital increase within the framework of the provisions of this Law and within the limits of authority stipulated in the articles of association. can do in. This authorization can be granted for a maximum of five years.

(2) In order for the capital to be increased, the board of directors shall submit the capital provisions of the articles of association in their forms, with the permission of the Ministry of Customs and Trade, if required pursuant to Article 333, its decision on increasing the capital, the limitations regarding the privileged shares and pre-emptive rights, the records regarding the premium and its announces the rules on its implementation as stipulated in the articles of association and publishes it on its website. The board of directors, in this decision; It specifies the amount of the increased capital, the nominal values ​​of the new shares to be issued, their number, type, whether they are premium or privileged, whether the priority right is limited, the terms and duration of use, and informs about these matters and other matters required in accordance with the principle of public disclosure.

(3) The provisions of Article 459 are applied by analogy with regard to the commitment of new shares to be issued, the minimum amount of cash to be paid, capital in kind and other issues.

(4) The board of directors must be authorized by the articles of association in order to issue privileged shares or above their nominal value and to limit the rights of the shareholders to purchase new shares.

(5) Against the decisions of the board of directors, shareholders and members of the board of directors may file an action for annulment within one month from the date of the announcement of the decision, in the presence of the reasons set forth in Article 445. Articles 448 to 451 are applied by analogy to this case.

11083

(6) After the capital increase is carried out in accordance with the above provisions, the new version of the capital clause of the articles of association showing the issued capital is registered by the board of directors.

(7) The provisions of the Capital Market Law regarding public joint stock companies are reserved.

**3. Right of priority**

**ARTICLE 461**- (1) Each shareholder has the right to buy newly issued shares according to the ratio of their existing shares to the capital.

(2) With the decision of the General Assembly regarding the capital increase, the shareholder's pre-emptive right may be limited or removed only if there are justified reasons and with the affirmative vote of at least sixty percent of the basic capital. In particular, public offering, acquisition of enterprises, business parts, affiliates and participation of workers in the company are considered justifiable grounds. By limiting or removing the priority right, no one can be benefited or lost without justification. Apart from the condition regarding the quorum, this provision is also applied to the decision of the board of directors in the registered capital system. The board of directors shall explain the reasons for the limitation or removal of the priority right; reasons for issuing new shares with and without premium; explains how the premium is calculated with a report. This report is also registered and announced.

(3) The Board of Directors determines the principles of exercising the right to purchase new shares with a decision and gives the shareholders at least fifteen days for this decision. Decision registration and Article 35 (…) (1) announced in the newspaper. It is also placed on the company's website. (1)

(4) The priority right is transferable.

(5) The Company may not prevent the shareholders to whom it has the priority right from exercising these rights, claiming that the transfer of registered shares is limited by the articles of association.

**III – Capital increase from internal resources**

**ARTICLE 462**-(1) Capital can be increased from internal resources by converting the freely usable parts of the legal reserves and the legal reserves set aside by the articles of association or the resolution of the general assembly, into capital.

(2) It is confirmed by the approved annual balance sheet and a clear and written statement to be given by the board of directors that the amount that covers the increased part of the capital from internal resources actually exists within the company. If more than six months have passed since the balance sheet date, a new balance sheet must be prepared and approved by the board of directors. (2)

(3) In case there are funds allowed by the legislation to be added to the capital in the balance sheet, the capital cannot be increased by committing capital without these funds being converted into capital. Capital can be raised both by converting these funds into capital and by committing capital at the same time and at the same rate. The increase becomes final with the registration of the decision of the general assembly or the board of directors and the amendment of the relevant articles of the articles of association. With the registration, the current shareholders automatically acquire the bonus shares according to the ratio of their current shares to the capital. The right on bonus shares cannot be removed or limited; This right cannot be waived.

--------------

*(1) With the article 26 of the Law dated 6/2012/6335 and numbered 41, the phrase "a newspaper with a circulation of at least fifty thousand and distributed at the national level" in this paragraph has been removed from the text of the article.*

*(2) With Article 26 of the Law No. 6 dated 2012/6335/40, "işlem checkçheat" phrase "yöof the board of directors" ve "işlem checkçtheir" phrase "yömy board of directors”Has been changed to.*

11084

**IV – Conditional capital increase**

**Principle 1**

**ARTICLE 463**-(1) The General Assembly may decide to increase the capital conditionally by providing the right to acquire new shares by exercising the right to change or purchase new shares in the articles of association to the creditors or employees of the company or group companies due to newly issued bonds or similar debt instruments.

(2) The capital increases automatically as soon as and to the extent that the right to change or purchase is exercised and the capital debt is fulfilled by settlement or payment.

**2. Boundaries**

**ARTICLE 464**-(1) The total nominal value of the conditionally increased capital cannot exceed half of the capital.

(2) The payment made must be at least equal to the face value.

**3. The basis in the articles of association**

**ARTICLE 465**-(1) Articles of Association;

a) The nominal value of the conditional capital increase,

b) Numbers, nominal values ​​and types of shares,

c) Groups that can benefit from the right to change or purchase,

d) The pre-emptive rights of the existing shareholders have been revoked and the amount thereof,

e) Privileges to be granted to certain share groups,

f) Limitations on the transfer of newly registered shares,

It contains.

(2) If bonds or similar debt instruments containing conversion and purchase rights related to bonds and similar debt instruments are not primarily offered to the shareholders, the articles of association shall also;

a) Conditions for exercising the right to change or purchase,

b) Principles regarding the calculation of the issuance price,

also explains.

(3) Change and purchase rights granted before the registration of the articles of association regarding the conditional capital increase are void.

**4. Protection of shareholders**

**ARTICLE 466**- (1) In case of conditional capital increase, in case promissory notes containing the right to change and buy depending on bonds and similar debt instruments, these are first offered to the shareholders in proportion to their existing shares.

(2) The right to be addressed with this recommendation may be removed or limited in the presence of justifiable reasons.

(3) Due to the removal or limitation of the priority and the right to be the subject of a recommendation required for a conditional capital increase, no one can be benefited or incurred in a way that cannot be justified.

**5. Protection of persons who have the right to exchange or purchase**

**ARTICLE 467**-(1) Creditors or employees who have the right to change or purchase registered shares, who have been granted the right to acquire registered shares, cannot be prevented from exercising such rights on the grounds that the transfer of such shares is limited; unless this matter is reserved in the articles of association and the prospectus.

11085

(2) The right to replace or purchase cannot be lost by capital increase, new replacement or purchase rights, or by any other means; unless the replacement price has been reduced or a suitable equalization has been provided to the beneficiaries or the rights of the shareholders have been lost.

**6. Realization of capital increase**

**a) Exercise of rights, capital commitment**

**ARTICLE 468**-(1) Change and purchase rights are exercised with a written statement referring to the provision of the articles of association regarding the conditional capital increase; If the legislation deems it necessary to publish the export prospectus, reference is made to this as well.

(2) The performance of the commitment is made through a deposit or participation bank by depositing money or clearing.

(3) Shareholder rights arise with the execution of the capital commitment.

**b) Verification of compliance**

**ARTICLE 469**-**(Mülga: 26/6/2012-6335/43 md.)**

**c) Bringing the articles of association into conformity**

**ARTICLE 470**- (1) **(Değişik: 26/6/2012-6335/23 md.)**In the capital increase declaration, the Board of Directors determines the number of newly issued shares, their nominal value, their types, the privileges granted to certain groups or the status of the capital at the end of the accounting period. The board of directors adapts the articles of association to the current situation.

(2) **(Mülga: 26/6/2012-6335/23 md.)**

**d) Registration in the trade registry**

**ARTICLE 471**-(1) The Board of Directors shall register the amendment of the articles of association with the trade registry within three months at the latest following the closing of the accounting period; the declaration of the board of directors regarding the capital increase (…)(2) deposits it in the register.(1) (2)

**7. Exclusion from the articles of association**

**ARTICLE 472**-**(Değişik: 26/6/2012-6335/24 md.)**

(1) Upon the expiration of the right to change and purchase, the board of directors removes the provision regarding the conditional capital increase from the articles of association. The provision is also deleted from the registry.

**B) Reduction of basic capital**

**I - Decision**

**ARTICLE 473**-(1) If a joint stock company does not issue new shares to replace the reduced portion by reducing its capital, the general assembly decides to amend the articles of association as necessary. The reasons for the capital reduction, the purpose of the reduction and how the reduction will be made are explained in detail and in accordance with the principles of accountability, in the call announcements for the general assembly meeting, in the letters and in the website notification. In addition, the board of directors presents a report containing these issues to the general assembly, and the report approved by the general assembly is registered and announced.

–––––––––––

*(1) With Article 26 of the Law No. 6 dated 2012/6335/40, the phrase "declaration" in this paragraph has been changed to "declaration".*

*(2) With the 26st article of the Law No. 6 dated 2012/6335/41, the phrase "audit verification with" in this paragraph has been removed from the text of the article.*

11086

(one) (…)(1) Despite the decrease in the capital, it is not decided to reduce the capital unless the existence of the assets in the company is determined to fully meet the rights of the company's creditors.(1)

(3) The first sentence of the third paragraph of Article 421 is applied to the decision of the General Assembly. In the decision (…)(1) It shows how the capital reduction will be made. (1)

(4) The book profit that will arise according to the records due to the reduction of the basic capital can only be used for the destruction of the shares.

(5) The capital cannot be reduced below the minimum amount determined in Article 332 under any circumstances.

(6) This article and articles 474 and 475 are applied by analogy with the reduction of the issued capital in the registered capital system.

**II – Call to creditors**

**ARTICLE 474**-(1) If the general assembly decides to decrease the basic capital, the board of directors announces this decision three times at seven-day intervals in the newspaper referred to in article 35, as well as in the articles of association, apart from posting this decision on the company's website. In the announcement, it states that the creditors can demand their payment or security by declaring their receivables within two months following the third announcement in the Turkish Trade Registry Gazette. Call letters are also sent to creditors known to the company.

(2) In order to close a deficit in the balance sheet as a result of losses, and if the capital is reduced in proportion to these deficits, the board of directors may waive the call of the creditors and the payment of their rights or securing them.

**III – Execution of decisions**

**ARTICLE 475**-(1) The capital may be reduced only after the expiry of the period granted to the creditors and the payment or collateral of the declared receivables; otherwise, the creditors may file a lawsuit for the annulment of the capital reduction within two years following the announcement of the registration of the capital reduction transaction at the commercial court of first instance in the place where the company's headquarters is located. In case of insufficient collateral, the judicial remedy is open.

(2) In cases where it is necessary to reduce the amount of share certificates by changing or stamping or in another way in order for the reduction decision to be implemented, the share certificates that are not returned despite the warning made for this matter may be canceled by the company. In the communique, it is written that the bills that are not returned to the company will be cancelled.

(3) If the amount of share certificates returned by the shareholders to the company for replacement is not sufficient to change it in accordance with the decision, these notes are canceled and the new notes to be given in return for these are sold and the amount of their shares is kept in the company.

(4) Unless documents showing compliance with the above paragraphs and the conditions written in Articles 473 and 474 are submitted, the decision to reduce the basic capital and the fact that the capital has actually been reduced cannot be registered in the trade registry.

–––––––––––

*(1) With the 26st article of the Law dated 6/2012/6335 and numbered 41, the phrases "with the report of the process auditor" in the second paragraph of the article 473, and "with the explanation of the result of the process auditor's report" in the third paragraph have been removed from the text of the article.*

11087

**CHAPTER SIX**

**Share and Capital Putting Debt**

**FIRST DECEMBER**

**Pay**

**A) General provisions**

**I – Minimum nominal value**

**ARTICLE 476**-(1) The nominal value of the share is at least one kuruş. This value can only be increased by one penny and its multiples. The aforementioned nominal value may be increased up to a hundredfold by the President.(1)

(2) Shares issued in violation of the first paragraph are invalid; however, the rights arising from the payment for the share are reserved. Issuers of the said shares are jointly and severally liable to the persons they have harmed. Article 560 is applied about the statute of limitations.

(3) In order to improve the financial situation of the company in difficulty, if the nominal value of the share is more than one cent, it can be reduced to one cent.

**II – Indivisibility of shares**

**ARTICLE 477**-(1) Share cannot be divided against the company. If a share has more than one owner, they can exercise their rights against the company only through a common representative. If they fail to appoint such a representative, the notification to be made by the company to one of the owners of the said share shall apply to all of them.

(2) The general assembly is authorized to divide the shares into shares with lower nominal values, or to combine the shares into shares with higher nominal values, by changing the articles of association, provided that the capital amount remains the same. However, in order for the shares to be combined, each shareholder must approve this transaction. Article 476 of the Law is reserved.

**B) Preferred shares**

**I – Definition**

**ARTICLE 478**-(1) Some shares may be privileged with the first articles of association or by amending the articles of association.

(2) Concession; It is a superior right granted to the share in rights such as dividend, liquidation share, priority and voting right, or a new shareholding right not stipulated in the law.

(3) The provision of Article 360 ​​is reserved.

(4)**(Ek: 26/6/2012-6335/25 md.)**More than half of its capital, alone or together; In joint stock companies belonging to the state, special provincial administrations, municipalities and other public legal entities, trade unions, associations, foundations, cooperatives and their superior organizations, and in the affiliates of these companies in which they have the same share of capital; Except for the privileges that can be granted to the shares they hold, no privileges set forth in this Law can be granted to other shares, shareholders forming a certain group, certain share groups and minority. This provision does not apply to joint stock companies whose shares are traded on the stock exchange, credit institutions defined in Article 5411 of Law No. 3 and financial institutions.

**II – Preferred shares in voting**

**ARTICLE 479**-(1) Voting privilege can be granted by giving different number of voting rights to the shares of equal nominal value.

(2) A share can be granted a maximum of fifteen voting rights. This limitation does not apply in cases where institutionalization requires or a just cause is proven. In these two cases, the commercial court of first instance in the place where the head office of the company is located should examine the institutionalization project or the just cause and decide to be exempted from the limitation depending on these. Any change to the project is subject to a court decision. In cases where it is understood that the institutionalization will not take place or the just cause disappears, the decision to make an exception can be withdrawn by the court.

*-------------------*

*(1) According to Article 2 of the Decree Law No. 7 of 2018/700/192, the The phrase "By the Council of Ministers" is "By the President" It has been changed.*

11088

(3) Privilege in voting cannot be used in the following decisions:

a) Change of articles of association.

b) **(Mülga: 26/6/2012-6335/43 md.)**

c) Opening a case of release and liability.

**SECOND AYIRIM**

**Obligation to Perform Share Price and Consequences of Non-Performance**

**A) Principle**

**ARTICLE 480**-(1) Except for the exceptions stipulated in the law, no debt may be imposed on the shareholder by the articles of association, except for performance of the premium exceeding the share price or the nominal value of the share.

 (2) In joint stock companies that accept the registered capital system, the board of directors may be authorized to issue premium shares with the articles of association.

(3) Shareholders cannot claim back what they have given to the company as capital; Rights regarding liquidation share are reserved.

(4) In cases where share transfers are subject to the approval of the company, the articles of association may impose an obligation on the shareholders to fulfill the obligations arising from the capital commitment, which are repeated from time to time and whose subject is not money. The nature and scope of these secondary obligations can be written on the back of the share certificates or certificates.

**B) Call to pay**

**ARTICLE 481**-(1) The prices of the shares are requested from the shareholders by means of an announcement, unless there is no other provision in the articles of association, by the board of directors. In the announcement, the rate or amount of the capital debt to be paid, the date of payment and where the payment will be made are clearly stated.

(2) Regarding the secondary obligations, a contract penalty may also be stipulated in the articles of association.

**C) Default**

**I – Results**

**ARTICLE 482**-(1) The shareholder, who does not fulfill his capital investment debt within the due time, is obliged to pay default interest without the need for a warning.

(2) In addition, the board of directors is authorized to deprive the delinquent shareholder of his rights arising from the participation commitment and the partial payments he has made, to sell the said share and replace it, and to cancel any share certificates given to him. If the canceled share certificates cannot be seized, the cancellation decision is announced in the newspaper written in Article 35 and also as stipulated in the articles of association.

(3) With the articles of association, the shareholders may be obliged to pay a contract penalty in case of default.

(4) The compensation rights of the company are reserved.

**II – Iskat method**

**ARTICLE 483**-(1) In order for the second and third paragraphs of Article 482 of the Law to be implemented, the board of directors shall give a warning to the defaulting shareholder with a message to be published on the company's website, through an announcement in the newspaper written in Article 35 and as stipulated in the articles of association. In this notice, it is stated that the defaulting shareholder must pay the amount subject to default within one month, otherwise, he will be deprived of his rights regarding the relevant shares and a contract penalty will be demanded.

11089

(2) This invitation and warning to the owners of the registered share certificates is made by registered mail with return receipt and via the website message instead of the announcement. The one-month period starts from the date of receipt of the letter.

(3) The defaulting shareholder is liable to the company for the outstanding amount from the payments of the new shareholder.

(4) The provision of Article 501 is reserved.

**CHAPTER SEVEN**

**Securities**

**FIRST DECEMBER**

**stock certificates**

**A) Common Provisions**

**I – Species**

**1. Terms**

**ARTICLE 484**– (1) Share certificates shall be bearer or registered.

(2) Bearer share certificates cannot be issued for shares whose prices have not been fully paid. Those issued in violation of this provision are void. Compensation rights of beneficiaries are reserved.

**2. Conversion**

**ARTICLE 485**-(1) Unless otherwise stipulated in the articles of association, the type of share can be changed by conversion. Conversion is done by changing the articles of association. In cases where conversion is stipulated by law, the board of directors takes the necessary decision and immediately implements it and immediately initiates the attempt to reflect this on the articles of association.

(2) In order for the registered share certificates to be converted into bearer share certificates, the price of the shares must be fully paid.

**II – Issuance of stock certificates**

**ARTICLE 486**-(1) Shares issued before the registration of the company and capital increase are invalid; however, the obligations arising from the commitment of participation continue to be valid.

(2) If the shares are bearer shares, the board of directors prints and distributes the share certificates to the shareholders within three months from the date of payment of the full share price. The decision of the board of directors regarding the printing of bearer share certificates is registered and announced, and also posted on the company's website. Until the share certificate is printed, the certificate can be issued. Provisions regarding registered share certificates are applied by analogy to the certificates.

(3) If the minority requests, the registered share certificate is printed and distributed to all registered share holders.

(4) The person issuing share certificates before registration is liable for the damages arising therefrom.

**III – Shape of share certificates**

**ARTICLE 487**-(1) Share certificates; The company must state the title, capital amount, the date of establishment, the capital amount on this date, the arrangement of the issued share certificate, the date of its registration, the type and nominal value of the certificate, how many shares it contains, and it must be signed by at least two of those authorized to sign on behalf of the company. In closed companies, the signature must be perforated in print or other security measures to prevent fraud must be applied.

11090

(2) In addition to the registered share certificates; The owners must also disclose the name and surname or trade name, place of residence, and the amount paid in the share price. These promissory notes are registered in the company's share book.

**IV – Worn stocks**

**ARTICLE 488**-(1) If a share certificate or certificate is worn out or corrupted to such an extent that it cannot be circulated, or if its content or distinctive features and qualities cannot be understood in a way that leaves no room for doubt, its owner has the right to request a new certificate or certificate from the company, provided that the expenses are paid in advance.

**B) Transfer of bearer share certificates**

**ARTICLE 489**-(1) The transfer of bearer share certificates shall be valid for the company and third parties only after the transfer of possession.

**C) Principle in the transfer of registered shares and share certificates**

**ARTICLE 490**-(1) Unless otherwise stipulated in the law or the articles of association, registered shares can be transferred without any limitation.

(2) Transfer by legal action can be made by transferring the possession of the endorsed registered share certificate to the transferee.

**D) Limitation of turnover**

**I – Legal limitation**

**ARTICLE 491**-(1) Registered shares that have not been paid in full can only be transferred with the approval of the company; unless the transfer takes place through inheritance, division of inheritance, the provisions of the property regime between spouses or by forceful execution.

(2) The company may refuse to give approval only if the solvency of the transferee is in doubt and the guarantee requested by the company has not been given.

**II – Limitation by articles of association**

**1. Principles**

**ARTICLE 492**-(1) The articles of association may stipulate that registered shares can only be transferred with the approval of the company.

(2) This limitation also applies when establishing the usufruct right.

(3) If the company is in liquidation, restrictions on transferability are waived.

**2. Registered shares not listed on the stock exchange**

**a) Reasons for rejection**

**ARTICLE 493**-(1) The company may reject the request for approval by citing an important reason stipulated in the articles of association or by suggesting that the transferor buy its shares at the actual value at the time of application, for its own or other shareholders or third parties.

(2) If the provisions of the articles of association regarding the composition of the shareholders' circle justify the refusal of approval in terms of the company's scope of operation or the economic independence of the business, it constitutes an important reason.

(3) Furthermore, if the transferee does not expressly declare that he bought the shares on his own behalf and on his own account, the company may refuse to register the transfer in the share register.

(4) Shares; If they are acquired due to inheritance, division of inheritance, property regime provisions between spouses or due to compulsory execution, the company may refuse to give approval to the person who acquires the shares, only if it offers to take over the shares with their actual value.

11091

(5) The transferee may request the determination of the actual value of their shares from the commercial court of first instance in the place where the head office of the company is located; In this case, the court takes the value of the company closest to the decision date as a basis. The company covers the valuation expenses.

(6) If the transferee does not reject this price within one month from the date of learning the actual value, he is deemed to have accepted the takeover proposal of the company.

(7) The articles of association cannot aggravate the transferability conditions.

**b) Provisions**

**ARTICLE 494**-(1) Unless the necessary approval for the transfer is given, the ownership of the shares and all rights attached to the shares remain in effect.

(2) In case the shares are acquired as a result of inheritance, division of inheritance, the provisions of the property regime between spouses or due to compulsory execution, the rights regarding their ownership and the assets arising from them are immediately; The right to attend the general assembly and the voting rights pass to the transferee only with the approval of the company.

(3) If the company does not reject the request for approval within three months at the latest from the date of receipt, or if the rejection is unjustified, the approval is deemed to have been given.

**3. Registered shares quoted on the stock exchange**

**a) Reasons for rejection**

**ARTICLE 495**-(1) The company may not recognize as a shareholder a person who acquires the registered shares listed on the stock exchange, but the articles of association, with respect to the registered shares that can be acquired, shall recognize the acquirer as the shareholder, based on the capital and expressed as a percentage. If the acquisition has stipulated the upper limit and this upper limit has been exceeded, it may reject it.

(2) In addition, if the transferee does not expressly declare that he has purchased the shares in his own name and account, despite his request, the company may refuse to register the shares in the share register.

(3) In cases where the registered shares listed on the stock exchange are acquired through inheritance, division of inheritance, property regime provisions between spouses or forced execution, the transferee cannot be denied the title of shareholder.

**b) Notification obligation**

**ARTICLE 496**-(1) In case the registered shares quoted on the stock exchange are sold on the stock exchange, the Central Registry Agency shall notify the company of the identity of the transferor and the number of shares sold in accordance with the regulations of the Capital Markets Board, or provide the company with technical access to this information.

**c) Transition of rights**

**ARTICLE 497**-(1) If the registered shares listed on the stock exchange are acquired on the stock exchange, the rights arising from the shares pass to the transferee with the transfer of the shares. In case the registered shares listed on the stock exchange are acquired outside the stock exchange, the rights in question pass to the transferee upon the transferee's application to the company for the recognition of the shareholding title by the company.

(2) The transferee may not exercise the right to attend the general assembly and to vote, and other rights related to the voting right, arising from the shares, until they are recognized by the company. The acquirer is not subject to any restrictions on the exercise of all other shareholding rights, especially the right of preference.

(3) The transferees who have not yet been recognized by the company are registered in the share book as shareholders who do not have voting rights, after the rights have passed. The said shares cannot be represented in the general assembly.

11092

(4) If the refusal is against the law, the company recognizes the right to vote and related rights as of the finalization date of the court decision. If the company cannot prove that no fault can be attributed to it, it is obliged to compensate the loss suffered by the transferee due to the refusal.

**d) Rejection period**

**ARTICLE 498**-(1) If the company does not reject the transferee's request to be recognized as a shareholder within twenty days from the date of receipt of the request, the transferee is deemed to be recognized as a shareholder.

**III – Share ledger**

**1. Registration**

**ARTICLE 499**-(1) The company records the undocumented shares and registered share certificate holders and usufruct holders in the share book with their names, surnames, titles and addresses.

(2) Unless it is proved that the share has been duly transferred or the usufruct right has been established on it, the transferee and the usufruct owner cannot be registered in the share book.

(3) The company indicates to the share certificate that the registration has been made.

(4) In relations with the company, only the person registered in the share book is accepted as the shareholder and usufruct owner.

(5) Other regulations pertaining to the provisions of the Capital Market Law regarding registered shares followed up by the Central Registry Agency are reserved.

**2. Deregistration**

**ARTICLE 500**-(1) The company may delete the record made in the share ledger as a result of the wrong declaration of the acquirer by taking the opinions of the relevant parties. Written information regarding the deletion shall be given to the persons in question immediately.

**3. Unpaid registered shares**

**ARTICLE 501**- (1) The person who acquires a registered share whose price has not been fully paid shall be registered in the share book and shall be obliged to pay the remaining share price to the company.

(2) If the person who made a commitment to participate during the establishment of the company or the increase of the basic capital transfers his share to someone else, the part of the price that has not yet been paid cannot be demanded from him; unless the company went bankrupt within two years from the date of establishment of the company or the increase in the basic capital and the person who acquired the share was deprived of the rights arising from the share.

(3) If the person transferring his share is not subject to the provisions of the second paragraph, the acquirer is saved from his debts by being recorded in the share register.

**SECOND SECTION – Usufruct Certificates**

**A) Removal**

**ARTICLE 502**-(1) The general assembly may decide to issue usufruct shares in favor of the owners, creditors or those related to the company for a similar reason, pursuant to the articles of association or by changing the articles of association. Article 348 is applied to these bonds.

(2) Usufruct shares, including those issued for the founders, may be in writing order and bearer.

11093

**B) Provisions**

**ARTICLE 503**-(1) Share ownership rights cannot be granted to the holders of usufruct shares; However, these persons may be granted the right to participate in the net profit, the remaining amount as a result of the liquidation, or to receive newly issued shares.

**THIRD SECTION – Securities Containing the Right to Buy and Change with Debt Securities**

**A) By the decision of the general assembly**

**ARTICLE 504**- (1) All kinds of bonds, financing bills, asset-backed notes, other debt securities including those issued on a discount basis, securities with the right to buy and change, and all kinds of securities can only be issued with a general assembly resolution, unless otherwise stipulated by the laws. The General Assembly makes this decision in accordance with the provisions of the third and fourth paragraphs of Article 421, unless there is a different regulation in the laws. The articles of association may stipulate a different quorum. The resolution of the general assembly must contain all the necessary terms and conditions regarding the security to be issued. The decision of the general assembly is carried out by the board of directors. Securities subject to this provision may be bearer or promissory notes and have nominal value. The nominal value is determined by the general assembly and, if authorized, by the board of directors. The price of the debt securities must be in cash and fully paid at the time of delivery.

**B) By the decision of the board of directors**

**ARTICLE 505**-(1) Unless otherwise stipulated in the law, the general assembly determines the issuance of any security and its terms and conditions (…) (1) may relinquish its authority to the board of directors for a maximum of fifteen months. The provisions of the third and fourth paragraphs of Article 421 are also applied to the authorization decision. (1)

**C) Boundary**

**ARTICLE 506**-(1) The total amount of debt securities subject to the provisions of Articles 504 and 505 cannot exceed the sum of the capital and the reserves included in the balance sheet; Revaluation funds, which are permitted by law to be placed on the balance sheet, are also included in the total. Exceptions in laws are reserved.

(2) The provisions of the Capital Markets Law and related legislation are reserved.

SECTION EIGHT - Profit, Earnings and Liquidation Share

**A) Right to profit and liquidation share**

**I - in general**

**ARTICLE 507**-(1) Each shareholder has the right to participate in the net profit for the period decided to be distributed to the shareholders in accordance with the provisions of the law and articles of association, in proportion to his/her share. In the event of the dissolution of the company, each shareholder participates in the amount remaining as a result of the liquidation in proportion to his share, unless there is another provision in the articles of association regarding the use of the assets of the terminated company.

(2) The privilege rights and special interests granted to some types of shares in the articles of association are reserved.

(3) The provisions of the Capital Market Law and related legislation are reserved.

**II – Calculation format**

**ARTICLE 508**-(1) Unless there is a contrary provision in the articles of association, profit and liquidation share are calculated in proportion to the payments made by the shareholder to the company for the capital share.

(2) The annual profit is determined according to the annual balance sheet.

**B) Dividend, preparation period interest and profit share**

**I – Dividend**

**ARTICLE 509**-(1) No interest can be paid on the capital.

(2) Dividends can only be distributed from the net profit for the period and free reserves.

(3) Dividend advance is regulated by a communiqué of the Ministry of Customs and Trade in companies that are not subject to the Capital Markets Law.

**II – Interest for the preparatory period**

**ARTICLE 510**-(1) Payment of a certain interest to the shareholders for the preparatory period until the full operation of the business, to be charged to the cost of investments in the nature of qualifying assets, in accordance with Turkish Accounting Standards, may be stipulated in the articles of association and limited to this period, the interest payments shall be made at the lowest price. how long it will take is indicated.

(2) If the business is to be expanded by issuing new shares, in the decision to increase the capital, it may be accepted that the new shareholders will be paid interest for a certain period of time, at the latest, until the day the new investment is put into operation, to be charged to the cost of investments in the nature of qualifying assets.

**III – Shares of earnings**

**ARTICLE 511**-(1) Profit shares can be given to the members of the board of directors only after a certain distinction is made for the legal reserve and after the dividend is distributed to the shareholders at the rate of five percent of the paid-in capital or at a higher rate stipulated in the articles of association.

**C) Right of withdrawal**

**I – In bad faith**

**ARTICLE 512**-(1) Shareholders who unjustly and maliciously receive dividends or interest from the preparatory period are obliged to return them. The same provision applies to the earnings shares of the members of the board of directors.

(2) The right of withdrawal expires five years after the receipt of the money.

**II – In case of bankruptcy of the company**

**ARTICLE 513**-(1) In the event of the company's bankruptcy, if the members of the board of directors had been prudently drawn up against the creditors of the company in return for their services under a profit share or another name in the last three years before the bankruptcy was filed, but exceeding the appropriate fee and the balance sheet had been prepared in a prudent manner. They are obliged to return the unpaid monies.

(2) There is no obligation to return the money that cannot be obtained in accordance with the provisions regarding unjust enrichment.

(3) The court exercises its discretion, taking into account all the requirements of the situation.

11095

SECTION NINE - Financial Statements of the Company, Reserves

**A) Financial statements of joint stock companies and annual report of the board of directors**

**I – preparation charge**

**ARTICLE 514**-(1) The board of directors prepares the financial statements of the previous accounting period stipulated in the Turkish Accounting Standards, their annexes and the annual activity report of the board of directors, within the first three months of the accounting period following the balance sheet date and presents them to the general assembly.

**II – The honest picture principle**

**ARTICLE 515**-(1) Financial statements of joint stock companies, in accordance with Turkish Accounting Standards, company's assets, debts and liabilities, equities and operating results are complete, understandable, comparable, in accordance with the needs and the nature of the business; as transparent and reliable; It is produced in a way that reflects the truth honestly, exactly and faithfully.

**III – Annual report of the board of directors**

**ARTICLE 516**-(1) The annual report of the board of directors reflects the flow of the company's activities for that year, as well as its financial position in all aspects, in an accurate, complete, straightforward, truthful and honest manner. In this report, the financial situation is evaluated according to the financial statements. The report also clearly indicates the development of the company and the possible risks it may face. The evaluation of the board of directors regarding these issues is also included in the report.

(2) The activity report of the board of directors should also include the following:

a) Events of special importance that occur in the company after the end of the operating year.

b) Research and development activities of the company.

c) Financial benefits such as wages, premiums, bonuses, allowances, travel, accommodation and representation expenses, in-kind and cash benefits, insurances and similar guarantees paid to the members of the board of directors and senior executives.

(3) The mandatory minimum content of the annual report of the board of directors for both joint stock companies and companies is regulated in detail by the Ministry of Customs and Trade with a regulation.

**B) Financial statements and annual report of the group of companies**

**I – Accounting standards to be applied**

**ARTICLE 517**-(1) Turkish Accounting Standards are valid for the determination of the companies responsible for preparing the consolidated financial statements and the companies included in the scope of consolidation and other related issues.

(2) Consolidated financial statements are prepared in accordance with the principles and principles set forth in Article 515.

**II – Annual report of the board of directors**

**ARTICLE 518**-(1) The annual activity report regarding the Group is prepared by the board of directors of the parent company in accordance with Article 516.

**C) Reserve funds**

**I – Legal reserve**

**1. General legal reserve**

**ARTICLE 519**-(1) Five percent of the annual profit is set aside as general legal reserves until it reaches twenty percent of the paid-in capital.

11096

(2) Even after reaching the limit in the first paragraph;

a) The portion of the premium provided for the issuance of new shares that has not been used for issuance expenses, redemption provisions and charitable payments,

b) The portion remaining after deducting the costs of issuing new bills to be given to replace them from the amount paid for the price of the shares canceled due to redemption,

c) After the five percent dividend is paid to the shareholders, ten percent of the total amount to be distributed to those who will receive a share of the profit is added to the general legal reserve.

(3) If the general legal reserve does not exceed half of the capital or the issued capital, it can only be used to cover losses, to continue the business when things are not going well, to prevent unemployment and to take measures to mitigate its consequences.

(4) The provisions of subparagraph (c) of the second paragraph and the provisions of the third paragraph do not apply to holding companies whose main purpose is to participate in other businesses.

(5) Provisions regarding the reserves of joint stock companies subject to special laws are reserved.

**2. Reserves and revaluation funds set aside for own shares acquired by the company**

**ARTICLE 520**-(1) The company allocates a reserve fund for its own shares that it has acquired, in an amount that meets the acquisition value. These reserves can be dissolved in an amount that meets their acquisition value if the aforementioned shares are transferred or destroyed.

(2) Revaluation fund and other funds in liabilities may be dissolved if they are converted into capital and re-evaluated assets are amortized or transferred in accordance with the relevant legislation.

**II – Reserves allocated by the company at will**

**1. In general**

**ARTICLE 521**-(1) It may be stipulated in the articles of association that an amount of more than five percent of the annual profit will be allocated to the reserve fund and that the reserve may exceed twenty percent of the paid-in capital. With the articles of association, it can be foreseen that other reserves will be set aside and the ways and conditions of their spending for the purpose of allocation can be determined.

**2. Aid funds in favor of employees and workers**

**ARTICLE 522**-(1) In the articles of association, reserve funds may be set aside for the company's managers, employees and workers for the purpose of establishing or maintaining aid organizations or to be given to public legal entities with this purpose.

(2) It is obligatory to establish a foundation or cooperative by separating the reserves and other goods allocated for the purpose of aid from the company. It can also be foreseen in the foundation deed that the foundation's assets will consist of a receivable against the company.

(3) If subscriptions have been received from managers, employees and workers other than the reserve fund allocated by the company for this purpose, at the end of the business relationship, if they cannot benefit from the distinction made according to the foundation deed, at least the amounts they paid are returned to the employees and workers together with the legal interest as of the payment date.

11097

**III – Relation between dividends and reserves**

**ARTICLE 523**-(1) The dividend to be distributed to the shareholders cannot be determined unless the optional reserves stipulated in the legal and articles of association are set aside.

(2) General assembly;

a) If necessary for the re-establishment of the assets,

b) Considering the interests of all shareholders, if it is justified in terms of continuous development of the company and as stable dividend distribution as possible,

It may also decide to allocate reserves other than those stipulated in the law and the articles of association.

(3) Even if there is no provision in the articles of association, the general assembly may set aside reserves from the balance sheet profit in order to establish or maintain aid funds and other aid organizations for the employees of the company or to serve other aid and charitable purposes.

**D) Various provisions**

**I – Announcement**

**ARTICLE 524**-**(Mülga: 26/6/2012-6335/43 md.)**

**II – Turkey branches of foreign companies**

**ARTICLE 525**-**(Mülga: 26/6/2012-6335/43 md.)**

**III – Summary financial statements**

**ARTICLE 526**-**(Mülga: 26/6/2012-6335/43 md.)**

**IV – Confidentiality**

**ARTICLE 527**-(1) Without prejudice to the provision of Article 404, those who examine the books and documents submitted to their examination due to their duty are prohibited from disclosing business and business secrets that they have obtained or learned from the information given. Otherwise, they will compensate the material and moral damage of the company.

(2) The provisions of the penal legislation regarding reporting a crime are reserved.

**E) Special provisions**

**ARTICLE 528**-**(Değişik: 26/6/2012-6335/26 md.)**

(1) With regard to the financial statements and consolidated financial statements of banks and other credit institutions, financial companies such as financial leasing and factoring, insurance and reinsurance companies, and all institutions under the Capital Markets Law, in Turkish Accounting Standards and administrative procedures determined by the Public Oversight, Accounting and Auditing Standards Authority. In cases where there is no provision in the regulations, the provisions in the special laws of the institutions, boards and organizations established to regulate and supervise the said areas are applied.

11098

(2) In cases where there is no provision in Turkish Accounting Standards, administrative regulations and special laws regarding financial statements determined by the Public Oversight, Accounting and Auditing Standards Authority, the provisions of this Law shall apply.

(3) Special provisions regarding the financial statements and consolidated financial statements of cooperatives are reserved.

CHAPTER TEN – Termination and Liquidation

**A) expiration**

**I – Reasons for termination**

**1. In general**

**ARTICLE 529**-(1) Joint stock company;

a) If, despite the expiry of the period, it has not become an indefinite period by actually continuing the works, with the expiration of the period stipulated in the articles of association,

b) With the realization of the subject of the operation or when the realization becomes impossible,

c) Upon the realization of any reason for termination stipulated in the articles of association,

d) With the decision of the general assembly taken in accordance with the third and fourth paragraphs of Article 421,

e) With the decision of bankruptcy,

f) In other cases stipulated in the laws, it ends.

**2. Special circumstances**

**a) Lack of organs**

**ARTICLE 530**- (1) If one of the legally required organs of the company does not exist or the general assembly cannot be convened for a long time, upon the request of the shareholders, company creditors or the Ministry of Customs and Trade, the commercial court of first instance in the place where the company headquarters is located, listening to the board of directors and making the company's situation in compliance with the law. sets a deadline for it to arrive. If the situation is not corrected within this period, the court decides to dissolve the company.

(2) When a lawsuit is filed, the court may take the necessary measures upon the request of one of the parties.

**b) Termination for just cause**

**ARTICLE 531**- (1) In the presence of justified reasons, the owners of the shares representing at least one tenth of the capital and one twentieth of the publicly traded companies may request the dissolution of the company from the commercial court of first instance in the place where the head office of the company is located. Instead of termination, the court may decide for the plaintiff shareholders to be paid the actual value of their shares at the closest date to the decision date, and for the plaintiff shareholders to be expelled from the company, or for another acceptable and appropriate solution.

**II – Provisions**

**1. Registration and announcement**

**ARTICLE 532**-(1) If the termination is due to a reason other than bankruptcy and court decision, it is registered and announced in the trade registry by the board of directors.

**2. Results**

**ARTICLE 533**-(1) The dissolved company enters into liquidation; Exceptions in the law are reserved.

(2) The company in liquidation, including its relations with the shareholders, preserves its legal personality until the end of the liquidation and uses its trade name with the phrase "in liquidation" added. In this case, the powers of the organs are limited for the purpose of liquidation.

11099

**III – Liquidation in case of bankruptcy**

**ARTICLE 534**-(1) In case of bankruptcy, liquidation is carried out by the bankruptcy administration in accordance with the provisions of the Enforcement and Bankruptcy Law. Company bodies retain their representation powers only for matters where the company is not represented by the bankruptcy administration.

**IV – Situation of company organs**

**ARTICLE 535**- (1) When the company goes into liquidation, the duties and powers of the organs are assigned to the transactions that are obligatory for the liquidation to be carried out, but cannot be performed by the liquidation officers due to their qualifications.

(2) The general assembly is called for a meeting by the liquidation officers in order to decide on the matters that are among the requirements of the liquidation works.

**B) Liquidation**

**I - Liquidators**

**1. Assignment**

**ARTICLE 536**-(1) Unless a separate liquidator is appointed by the articles of association or the decision of the general assembly, the liquidation is carried out by the board of directors. Liquidators may be from shareholders or third parties. Persons charged with liquidation are entitled to ordinary wages unless otherwise stipulated in the articles of association or the appointment decision.

(2) The board of directors has the liquidators registered and announced in the trade registry. This provision shall also apply if the liquidation works are carried out by the board of directors.

(3) In cases where the court decides to dissolve the company, the liquidator is appointed by the court.

(4) At least one of the liquidators authorized to represent must be a Turkish citizen and his place of residence must be in Turkey.

**2. Dismissal**

**ARTICLE 537**-(1) Liquidators appointed by the articles of association or by the resolution of the general assembly and the members of the board of directors who fulfill this duty may be dismissed by the general assembly at any time and new ones may be appointed in their place.

(2) At the request of one of the shareholders and in the presence of justified reasons, the court may also dismiss the liquidators and appoint new ones in their place. Liquidators appointed in this way are registered and announced on the basis of a court decision.

(3) If none of the liquidators authorized to represent the company are Turkish citizens and none of them are domiciled in Turkey, the court appoints one of the shareholders or creditors or a person who complies with the said condition as a liquidator upon the request of the Ministry of Customs and Trade.

**3. Authorization to sell assets**

**ARTICLE 538**-(1) Unless the general assembly has decided otherwise, liquidation officers can also sell the company's assets through bargaining.

(2) The decision of the general assembly is required in order to wholesale a significant amount of assets. The third and fourth paragraphs of Article 421 shall apply to this decision.

**4. Limitation and extension of powers**

**ARTICLE 539**-(1) The powers granted by law cannot be transferred to liquidators; however, one of the liquidators may authorize the other or a third person to represent in order to carry out certain implementation procedures.

(2) Transactions made by liquidators with third parties for purposes other than liquidation bind the company; unless it is proved that the third party knows that the transaction is beyond the purpose of liquidation or that it is not possible for him not to know it due to the circumstances. The mere registration and announcement of the liquidation is not sufficient evidence to prove this point.

(3) If there is more than one liquidator, unless otherwise stipulated in the general assembly resolution or the articles of association, two liquidators authorized to sign must sign under the company title in order for the company to be affiliated. Liquidation officers represent the company in liquidation in the courts and in foreign relations in matters related to liquidation.

(4) The company is also responsible for the tortious act committed by the liquidator while performing his duty.

**II – Liquidation works**

**1. Initial inventory and balance sheet**

**ARTICLE 540**-(1) As soon as the liquidators start their duties, they examine the situation of the company at the beginning of the liquidation; If necessary, they apply to experts in order to appraise the company's assets, and prepare an inventory and balance sheet showing the company's assets and financial situation and submit it to the approval of the general assembly.

(2) After the inventory and balance sheet are approved, the liquidators seize all the goods, documents and books of the company written in the inventory.

**2. Calling and protection of creditors**

**ARTICLE 541**– (1) Persons who are known to be creditors from company books or other documents and whose settlements are known are informed by registered letter, other creditors are informed of the dissolution of the company with three announcements to be made at intervals of one week, as stipulated in the Turkish Trade Registry Gazette and the company's website, as well as in the articles of association, and are called upon to notify the liquidators of their receivables.

(2) If those who are known to be creditors do not notify, the amount of their receivables is deposited in a bank to be determined by the Ministry of Customs and Trade.

(3) The amount of money to meet the company's debts that are not yet due or in dispute is deposited at the notary public; unless such debts are adequately secured or the distribution of the company's assets among the shareholders is conditional upon the payment of these debts.

(4) Liquidation officers who act in violation of the provisions written in the above paragraphs are liable in accordance with Article 553 for the money they have paid unjustly.

**3. Other liquidation works**

**ARTICLE 542**-(1) Liquidators;

a) They are obliged to complete the ongoing transactions of the company, to collect the unpaid parts of the share prices when necessary, to turn the assets into money and to pay these debts if it is determined that the company's debts are not more than the company's assets, according to the situation as understood from the initial liquidation balance sheet and the call made to the creditors.

b) They cannot make a new transaction that is not required by the liquidation.

c) If the company's debts are greater than the company's assets, they immediately report the situation to the commercial court of first instance in the place where the company's head office is located; court decides to file bankruptcy.

d) In case the liquidation takes a long time, they prepare the financial statements regarding the liquidation for each year and the final balance sheet at the end of the liquidation and submit them to the general assembly.

e) They take the necessary measures, like a regular and conscious manager, in order to protect all the property and rights of the company, and complete the liquidation as soon as possible.

f) They keep the books required for the regular execution and security of the liquidation procedures.

g) They deposit the money obtained during the liquidation, excluding the money required for the ongoing expenses of the company, in a bank on behalf of the company.

h) They immediately pay the overdue debts by discounting the rate applied to short-term loans by the Central Bank of the Republic of Turkey. Creditors must accept this payment. Receivables that cannot be discounted as per the law are exempt from this provision.

i) They give information to the shareholders about the status of the liquidation works and, if they wish, a signed document on this matter.

**4. Distribute the result of the liquidation**

**ARTICLE 543**-(1) The remaining assets of the company in liquidation, after its debts are paid and the share prices are returned, shall be distributed among the shareholders in proportion to the capital they paid and their privilege rights, unless otherwise agreed in the articles of association. If there is a privilege in the liquidation share, the regulation in the articles of association is applied.

(2) The remaining assets cannot be distributed until six months have passed from the date of the third call made to the creditors. However, if there is no danger to the creditors depending on the situation and situation, the court may allow the distribution within six months.

(3) Unless otherwise stated in the articles of association and the general assembly resolution, the distribution is made in money.

**5. Storage of notebooks**

**ARTICLE 544**- (1) At the end of the liquidation, the books and documents, including those related to the liquidation, are kept in accordance with Article 82.

**III – Deletion of the company title from the registry**

**ARTICLE 545**- (1) Upon the end of the liquidation, the liquidation officers request the deletion of the company's trade name from the registry.

(2)The provisions of Article 2004 and Article 44/a of the Law No. 337 shall not apply to companies liquidated in accordance with the provisions of this Law.

**IV – Other provisions to be applied**

**ARTICLE 546**-(1) The resolution of disputes between the shareholders and the liquidator or officers is subject to a simple procedure. If the court deems it necessary, it listens to the shareholders regarding the liquidation officers and gives its decision within thirty days.

(2) The provisions of Article 553 shall apply to the liability of liquidators.

(3) General assembly resolutions regarding liquidation are taken in accordance with Article 418.

**C) Additional liquidation**

**ARTICLE 547**-(1) If it is understood that additional liquidation procedures are necessary after the liquidation is closed, the last liquidators, members of the board of directors, shareholders or creditors may request the re-registration of the company from the commercial court of first instance in the place where the company headquarters is located, until these additional transactions are concluded.

(2) If the court considers that the request is appropriate, it decides on the re-registration of the company for additional liquidation and appoints the last liquidator or one or more new liquidators to carry out these transactions, and has them registered and announced.

**D) Return from liquidation**

**ARTICLE 548**-(1) If the company has ended with the expiry of the period or with the decision of the general assembly, the general assembly may decide to continue the company, unless the distribution of the company's assets among the shareholders has begun. The continuation decision must be taken by at least sixty percent of the capital. With the articles of association, this quorum can be aggravated and other measures can be envisaged. The liquidator registers and has the decision of the general assembly to withdraw from liquidation.

(2) If the company has ended with the filing of the bankruptcy, but the bankruptcy has been abolished or the bankruptcy has ended with the execution of the concordat, the company continues.

(3) The liquidator registers the decision regarding the annulment of the bankruptcy with the trade registry. A document stating that the distribution of share prices and liquidation shares among the shareholders has not started is attached to the registration request.

SECTION ELEVEN – Legal Responsibility

**A) Liability situations**

**I – Unlawful documents and statements**

**ARTICLE 549**-(1) Since the documents, prospectuses, commitments, declarations and guarantees related to the establishment of the company, increase and decrease of the capital, merger, division, change of type and issuance of securities are false, fraudulent, fake, contrary to the truth, concealment of the truth and violation of other laws. Those who issue the documents or make the declarations and those who participate in them in case of their faults are responsible for the damages arising from the violations.

**II – Knowing false statements about capital and inability to pay**

**ARTICLE 550**-(1) Those who pretend to be committed or paid when the capital has not been fully committed or paid in accordance with the provisions of the law or the articles of association, and the company officials, provided that they are defective, are deemed to have undertaken these shares and pay the compensation and loss of the shares together with the interest severally.

(2) Those who know and approve that those making capital commitments do not have the ability to pay are liable for the loss arising from the non-payment of the said debt.

**III – Corruption in valuation**

**ARTICLE 551**-(1) Those who charge a higher price compared to their peers in the valuation of the capital in kind or the business to be taken over and the same, those who show the nature or status of the business and the same differently, or those who commit corruption in any other way, are liable for the losses arising from this.

**IV – Collecting money from the public**

**ARTICLE 552**-**(Değişik: 26/6/2012-6335/27 md.)**

 (1) Without prejudice to the provisions of the Capital Markets Law, it is prohibited to collect money by making a call to the public in any way, with the aim of establishing a company or increasing the capital of the company, or with the promise of it.

11103

**V – Founders, board members, managers** **and liability of liquidators**

**ARTICLE 553**-(1) If the founders, members of the board of directors, managers and liquidators violate their obligations arising from the law and the articles of association, (…) (2) they are liable for the damage they cause to both the company, the shareholders and the creditors of the company. (1) (2)

(2) Organs or persons who transfer a duty or authority arising from the law or the articles of association to another person based on the law shall not be liable for the acts and decisions of these persons, unless it is proved that they did not exercise reasonable care in the selection of the persons who took over these duties and powers.

(3) No one can be held responsible for violations of the law or the articles of association or corruption beyond his control; this non-responsibility cannot be overridden by justifying the duty of supervision and care.

**VI – Auditor's responsibility (3)**

**ARTICLE 554**-**(Değişik: 26/6/2012-6335/29 md.)**

(1) Auditors and special auditors who audit the year-end and consolidated financial statements, reports and accounts of the company and the group of companies; If they act faulty in the fulfillment of their legal duties, they are liable for the damage they have caused to both the company and the shareholders and company creditors.

**B) Loss of the company**

**I - in general**

**ARTICLE 555**-(1) The company and each shareholder may request compensation for the loss suffered by the company. Shareholders can only request compensation to be paid to the company.

(2) If the lawsuit filed by the shareholder is justified by legal and material reasons, the court divides the litigation expenses and attorney's fees on an equitable basis between the plaintiff shareholder and the company, in cases where these expenses cannot be borne by the defendant.

**II – In bankruptcy**

**ARTICLE 556**-(1) In case of bankruptcy of the damaged company, the creditors of the company also have the right to demand the compensation to be paid to the company. However, the claims of the shareholders and creditors of the company are first brought forward by the bankruptcy administration.

(2) If the bankruptcy administration does not file the lawsuit stipulated in the first paragraph, each shareholder or company creditor may substitute the aforementioned lawsuit. According to the provisions of the Enforcement and Bankruptcy Law, the revenue obtained is allocated for the payment of the receivables of the creditors who filed the lawsuit first; the balance is paid to the claimant shareholders in proportion to their capital shares; the surplus is given to the bankruptcy estate.

(3) The provision of Article 245 of the Enforcement and Bankruptcy Law regarding the transfer of the company's claims is reserved.

**III – Succession and application**

**ARTICLE 557**-(1) In the event that more than one person is liable to compensate for the same damage, each of them shall be jointly and severally liable with the others for this damage, to the extent that the damage can be personally inflicted on him, depending on his fault and the requirements of the situation.

(2) The plaintiff may sue more than one responsible person for the entirety of the damage and may request the judge to determine the compensation debt of each defendant in the same case.

(3) The application between more than one responsible is determined by the judge, taking into account all the requirements of the situation.

**IV – Release**

**1. The effect of the release**

**ARTICLE 558**-(1) The release decision cannot be lifted with the decision of the general assembly. The provision of article 445 is reserved.

(2) The decision of the general assembly of the company regarding the release from liability removes the right of action of the shareholders of the company, who voted affirmatively for the release and who acquired the share knowing the release decision, regarding the material events disclosed to be covered by the release. Other shareholders' rights to litigation expire six months after the release date.

**2. Release in establishment and capital increase**

**ARTICLE 559**-(1) The responsibilities of the founders, members of the board of directors, auditors, arising from the establishment of the company and the capital increase cannot be removed by amicable and acquittal until four years have passed from the date of registration of the company. After the expiration of this period, peace and release become valid only with the approval of the general assembly. However, if the shareholders representing one tenth of the basic capital and one twentieth of the publicly traded companies are against the approval of the settlement and release, the settlement and release are not approved by the general assembly.

**V – Timeout**

**ARTICLE 560**-(1) The right to claim compensation against those responsible becomes time-barred after two years from the date when the plaintiff learned about the damage and the responsible person, and in any case five years from the day the act that caused the damage occurred. However, if this act necessitates a penalty and is subject to a longer statute of limitations than the Turkish Penal Code, this statute of limitations is also applied to the compensation case.

**VI – Competent court**

**ARTICLE 561**-(1) A lawsuit can be filed against the responsible persons in the commercial court of first instance where the head office of the company is located.

11105

SECTION TWELVE – Criminal Liability

**A) Offenses and penalties**

**ARTICLE 562**-**(Değişik: 26/6/2012-6335/30 md.)**

(1) This Act;

a) Those who do not fulfill the obligations in the second or third sentence of the first paragraph of Article 64,

b) Those who do not provide copies of documents in accordance with the second paragraph of Article 64,

c) Those who do not have the necessary approvals in accordance with the third paragraph of Article 64,

d) Those who do not keep their books in accordance with Article 65,

e) Those who take inventory in violation of the procedure in Article 66,

f) Those who do not submit documents in accordance with Article 86,

shall be punished with an administrative fine of four thousand Turkish Liras.

(2) Those who violate Article 88 are punished with an administrative fine of four thousand Turkish Liras.

(3) Those who violate the first and fourth paragraphs of Article 199 are punished with a judicial fine of not less than two hundred days.

(4) Those who do not submit the books, records and documents that are obliged to be kept or preserved in accordance with the provisions of this Law, and the information regarding them, regardless of whether they belong to the real or legal person subject to the audit, despite being requested by those authorized to audit in accordance with the first paragraph of Article 210, or who provide missing information. or those who prevent these inspectors from performing their duties shall be punished with a judicial fine of not less than three hundred days, unless their acts constitute another crime requiring a heavier penalty.

(5) This Act;

a) **(Mülga: 15/7/2016-6728/73 md.)**

b) Those who give money to shareholders in violation of Article 358,

c) Those who violate the provisions of the first or second sentence of the second paragraph of Article 395,

shall be punished with a judicial fine of not less than three hundred days.

(6) In cases where the commercial books do not exist, do not contain any records or are not kept in accordance with this Law, those responsible are punished with a judicial fine of not less than three hundred days.

(7) Those who violate Article 527 shall be punished in accordance with the provisions of Article 239 of the Turkish Penal Code.

(8) Those who forge the documents specified in Article 549 and who deliberately make false records in the commercial books are sentenced to imprisonment from one year to three years.

(9) Those who violate Article 550 are punished with imprisonment from three months to two years or a judicial fine.

(10) Those who act in violation of Article 551 are punished with a judicial fine not less than ninety days.

(11) Those who violate Article 552 are punished with imprisonment from six months to two years.

11106

(12) Members of the management body of companies that do not create the website stipulated in Article 1524 are punished with a judicial fine of from one hundred to three hundred days, and the perpetrators listed in this paragraph who do not duly post the content to be placed on the website pursuant to the same article are punished with a judicial fine of up to one hundred days.

(13) Administrative fines within the scope of this Law are imposed by the highest civilian authority of the locality, unless otherwise provided.

(14) If one of the misdemeanors defined in this Law is committed more than once until an administrative sanction decision is taken, an administrative fine is imposed on the relevant real or legal person and the penalty to be imposed according to the relevant provision is doubled. However, in case of gaining an advantage or causing damage by committing this misdemeanor, the amount of the administrative fine to be imposed cannot be less than three times of this benefit or loss.

**B) Investigation and prosecution procedure**

**ARTICLE 563**-**(Mülga: 26/6/2012-6335/43 md.)**

PART FIVE – Limited Partnership with Shares Divided into Shares

**A) Definition**

**ARTICLE 564**-(1) A limited partnership whose capital is divided into shares is a company whose capital is divided into shares and one or more of its partners are liable to the creditors of the company as a general partner and the others as a joint stock company shareholder. If the capital is divided into parts without dividing into shares, only in order to show the participation rates of more than one limited partner, the provisions of the limited partnership company are applied.

**B) Provisions to be applied**

**ARTICLE 565**-(1) The legal relations of the commandites with each other, with all of the limited partners and with third parties, especially their duties and authorities regarding the management and representation of the company, their departure from the company are subject to the provisions of the limited partnership companies.

(2) Except for the matters stated in the first paragraph, the provisions of the joint stock company are applied unless there is a contrary provision in the Law.

**C) Establishment**

**I – Articles of Association**

**1. Figure**

**ARTICLE 566**-(1) The main contract is drawn up in writing, signed by all the founders and limited partners; signatures must be notarized or the articles of association must be signed in the presence of the trade registry director or his deputy.In the establishment of the company, valuable paper price is not collected from the papers containing the articles of association.

(2) Article 333 on obtaining permission is not applicable.

**2. Content**

**ARTICLE 567**-(1) Except for subparagraph (f) of the second paragraph of the articles of association, it must contain all the records in Article 339.

**II – Founders**

**ARTICLE 568**-(1) All those who sign the articles of association and those who put capital other than money into the company are considered founders.

(2) Founders cannot be less than five people. At least one of the founders must be a commandite. The amount of each of the shares owned by the limited partners who are the founders should be written in the articles of association.

**III – Provisions to be applied**

**ARTICLE 569**-(1) Provisions regarding the establishment of joint stock companies are applied.

**D) Management**

**I – Provisions to be applied**

**ARTICLE 570**-(1) The provisions regarding the duties and responsibilities of the board of directors of joint stock companies are also valid for the limited partners who are managers.

**II – Dismissal**

**ARTICLE 571**-(1) The limited partners who are in charge of managing and representing the company may be dismissed in the cases and in accordance with the stipulated conditions for the partners in charge of the management and representation of the collective company. With the registration of the dismissal decision, the personal liability of the dismissed partner due to the debts of the company that will arise after this date ends.

**III – Prohibition of competition**

**ARTICLE 572**-(1) A commandite partner cannot do a business that falls within the scope of the company's business without the permission of the other limited partnerships and the general assembly, and cannot participate in a company dealing with this type of trade as an unrestricted partner.

(2) Provisions pertaining to the collective company shall apply to the limited partner who violates the provisions of this article.

PART SIX – Limited Liability Company

CHAPTER ONE – Definition and Establishment

**A) Concept**

**ARTICLE 573**-(1) A limited company is established by one or more real or legal persons under a trade name; basic capital is determined and this capital consists of the sum of basic capital shares.

(2) The partners are not responsible for the debts of the company, they are only obliged to pay the basic capital shares they have committed and to fulfill the additional payment and ancillary performance obligations stipulated in the company contract.

(3) A limited company may be established for any economic purpose and subject that is not prohibited by law.

**B) Number of partners**

**ARTICLE 574**- (1) The number of partners cannot exceed fifty.

(2) If the number of partners drops to one, the situation is notified in writing to the managers within seven days from the date of the transaction resulting in this result. From the date of receipt of the notification until the end of the seventh day, the directors must register and announce that the company is a sole proprietorship, the name, place of residence and citizenship of this partner, otherwise they will be liable for the resulting damage. The same obligation applies where the company is established with a partner.

(3) The company cannot acquire the basic capital share in such a way that it will transform into a company whose sole partner will be itself.

11108

**C) Company contract**

**I - Figure**

**ARTICLE 575**-(1) The company contract must be made in writing and signed by the founders in the presence of authorized personnel in the trade registry directorate. **(Additional sentence: 15 / 7 / 2016-6728 / 67 md.)**In the establishment of the company, valuable paper price is not collected from the papers containing the articles of association.(1) (2)

**II – Content**

**1. Mandatory registrations**

**ARTICLE 576**-(1) The following records must be clearly stated in the company agreement:

a) The company's trade name and place of headquarters.

b) Business subject of the company, with its essential points specified and defined.

c) Nominal amount of basic capital, number of basic capital shares, nominal values, privileges, if any, groups of basic capital shares.

d) Names, surnames, titles, citizenships of the directors.

e) The form of the announcements to be made by the company.

**2. Provisions that are binding provided that they are stipulated in the articles of association**

**ARTICLE 577**-(1) The following entries are binding provisions if they are stipulated in the articles of association:

a) Regulations deviating from the legal provisions regarding the limitation of the transfer of basic capital shares.

b) Granting the shareholders or the company the right to be offered, pre-emptive, repurchase and purchase rights regarding the basic capital shares.

c) Anticipation of additional payment obligations, their form and scope.

d) Forecasting ancillary performance obligations, their form and scope.

e) Provisions granting veto right to certain or identifiable partners or superior voting right to some partners in case the votes are equal as a result of voting on a general assembly resolution.

f) The provisions of the contract penalty that can be applied in case the obligations stipulated in the law or the articles of association are not fulfilled at all or on time.

g) Provisions regarding the prohibition of competition, which are separated from the legal regulation.

h) Provisions giving special right to call the general assembly to the meeting.

ı) Provisions deviating from the legal regulation regarding decision making, voting rights and calculation of voting rights in the General Assembly.

i) Authorization provisions regarding the transfer of company management to a third party.

j) Provisions deviating from the law on the use of balance sheet profit.

k) Recognition of the right to quit and the conditions for its use, the type and amount of the withdrawal fund to be paid in such cases.

l) Provisions showing the special reasons for the partner's dismissal from the company.

m) Provisions regarding the reasons for termination other than those specified in the law.

**3. Capital in kind, acquisitions in kind and special interests**

**ARTICLE 578**-(1) Provisions pertaining to joint stock companies are applied with regard to capital in kind, acquisition of real estates or businesses and special interests.

**4. Mandatory provisions**

**ARTICLE 579**-(1) The company agreement may deviate from the provisions of this Law regarding limited liability companies only if this is expressly permitted by the law. Complementary articles of incorporation, which other laws allow to be enacted, take effect as specific to that law.

**D) Capital**

**I – Minimum amount**

**ARTICLE 580**-(1) The basic capital of the limited company is at least ten thousand Turkish Liras.

(2) The minimum amount written in this article can be increased up to ten times by the President.

**II – Capital in kind**

**ARTICLE 581**-(1) There is no limited real right, attachment or measure on them; Elements of assets, including intellectual property rights and virtual environments and names, which can be evaluated and transferred in cash, can be put as capital in kind. Acts of service, personal labor, commercial reputation and undue receivables cannot be capital.

(2) The provision of Article 127 is reserved.

**III – Cost of goods and founder benefits**

**ARTICLE 582**-(1) The costs of the goods purchased on behalf of the company and the benefits granted to those who served in the establishment of the company by the founders regarding the company being established are written into the articles of association.

(2) The provisions of Article 128 are reserved.

**E) Basic capital shares**

**ARTICLE 583**-(1) In the articles of association, the nominal values ​​of the basic capital shares can be determined as at least twenty-five Turkish Liras. This value may be lowered to improve the company's condition.

(2) The nominal values ​​of the basic capital shares may be different. However, the value of the basic capital shares must be twenty-five Turkish Liras or its multiples. The vote to be given by a basic capital share is calculated according to the nominal value in accordance with Article 618, is not the division of the basic capital share. The same provision applies to cases where a right or obligation is determined by nominal value.

(3) A partner may have more than one basic capital share.

(4) Basic capital shares can be issued at nominal value or at a price exceeding this value.

(5) The cost of the basic capital share is paid as stipulated in the articles of association, in cash or in kind, or by clearing a receivable or by converting freely usable equities into basic capital, as in a capital increase.

**F) Usufruct shares**

**ARTICLE 584**-(1) The issuance of usufruct shares may be foreseen in the articles of association; In this regard, the provisions regarding joint stock companies are applied by analogy.

**G) Establishment**

**I – Establishment moment**

**ARTICLE 585**-**(Değişik: 26/6/2012-6335/31 md.)**

(1) The company is established when the founders declare their will to establish a limited liability company in the company contract, which is drawn up in accordance with the law, which they unconditionally undertake to pay the entire capital, signed in the presence of the personnel authorized in the trade registry directorate. The provisions of this Law regarding joint stock companies are applied by analogy with regard to the payment of the basic capital share prices, the place of payment, the debt of performance, the consequences of non-performance, the transfer of the shares whose prices have not been fully paid. **(Additional sentence: 15 / 2 / 2018-7099 / 25 md.)**However, the condition that at least twenty-five percent of the nominal value of the shares committed in cash is paid before registration does not apply to limited liability companies. The provisions of the first paragraph of Article 588 are reserved.

**II – Registration**

**1. Prompt**

**ARTICLE 586**-(1) After the company contract is drawn up as stipulated in Article 575, an application is made to the trade registry where the company's headquarters is located.

(2) The application is signed by all the directors. The following documents are attached to the application:

a) A certified copy of the articles of association.

b) **(Mülga: 15/7/2016-6728/73 md.)**

c) Document showing the persons authorized to represent the company and the selection of the auditor, showing their places of residence.

(3) The following records are included in the petition:

a) Names and surnames or titles, place of residence, citizenship of all partners.

b) The basic capital share undertaken by each partner and the total amount paid.

c) Names and surnames or titles of directors, whether they are partners or third parties.

d) How the company will be represented.

**2. Registration and announcement**

**ARTICLE 587**-(1) The entire company contract is registered in the trade registry of the place where the company's headquarters is located and announced in the Turkish Trade Registry Gazette, within thirty days following the signing of the founders' signatures in the presence of authorized personnel at the trade registry directorate. Except for the ones listed below, the provisions of the first paragraph of Article 36 shall not be applied to the registered and announced company contract: (1) (2)

a) The date of the articles of association.

b) Trade name and headquarters of the company.

c) The business subject of the company, with the main points specified and defined; the term of the company, if there is a provision about this in the company agreement.

d) The nominal value of the basic capital.

e) Name and surname of the real person partner, place of residence, title of the legal entity partners, their headquarters and the basic capital shares undertaken by each partner.

f) The subject of the capital in kind and the basic capital shares to be given in return for such capital; in case of an acquisition, the subject of the relevant contract, the counterparty to the contract, the counter performance owed by the company; content and value of private interests.

g) If foreseen, the number of usufruct shares and the content of the rights granted to them.

h) Names, surnames or titles and domiciles of the managers and other persons authorized to represent the company.

ı) The manner in which the representative authority is exercised.

i) The auditor's place of residence, headquarters, if any, its branch registered in the trade registry (…)(3).

j) Privileges, additional obligations or ancillary performance obligations stipulated in the articles of association, being the subject of a proposal regarding basic capital shares, pre-emption, repurchase and purchase rights.

k) The form and type of announcements to be made by the company and how the managers will notify the partners if there is a provision in the company contract on this matter.

**III – Legal entity**

**ARTICLE 588**-(1) The company acquires legal personality upon registration in the trade registry.

(2) If it is not accepted by the company, the establishment expenses are borne by the founders. They have no recourse rights to the shareholders.

(3) Those who act on behalf of the company before registration are personally and severally liable for these transactions.

(4) Provided that such commitments are clearly stated that they are made on behalf of the company to be established in the future and they are accepted by the company within three months following the registration of the company in the trade registry, only the company will be responsible for them.

SECTION TWO - Changing the Company Agreement

**A) in general**

**ARTICLE 589**-(1) Unless otherwise stipulated in the articles of association, the articles of association can be amended by the decision of the partners representing two-thirds of the basic capital. The provision of article 621 is reserved.

(2) Every change made in the company contract is registered and announced.

**B) Special changes**

**I – Increasing the basic capital**

**Principle 1**

**ARTICLE 590**-(1) The basic capital may be increased, provided that the provisions regarding the establishment of the company, and in particular the rules regarding the incorporation of the capital in months and the acquisition of the assets with a business, are complied with.

**2. Right of priority**

**ARTICLE 591**-(1) Unless otherwise stipulated in the company contract or the decision to increase, each partner has the right to participate in the increase of the basic capital in proportion to his basic capital share.

(2) With the decision of the General Assembly regarding the capital increase, the preference right of the partners to purchase new shares can be limited or removed only in the presence of justified reasons and with the quorum stipulated in subparagraph (e) of the first paragraph of Article 621. In particular, takeovers of businesses, business parts, subsidiaries and the participation of workers in the company can be justified. By limiting or removing the right of priority, no one can be benefited or lost in a way that cannot be justified.

(3) In order to exercise the priority right, a period of at least fifteen days is given.

**II – Reduction of basic capital**

**ARTICLE 592**-(1) The provisions regarding the reduction of the basic capital of joint stock companies are applied to limited companies by analogy. The basic capital can be reduced in order to improve the insolvent balance sheet only if the additional payment obligations stipulated in the articles of association are fully paid.

SECTION THREE - Rights and Obligations of Partners

**A) The basic capital share is subject to the transactions**

**I - in general**

**ARTICLE 593**-(1) Except for the cases stipulated in the second paragraph of Article 612 regarding the acquisition of the basic capital share by the company, the basic capital share is transferable and inherited only in accordance with the following provisions, including the transfers between the partners.

(2) The main capital shares are issued in the form of proof or in registered form. Additional payment and ancillary performance obligations, aggravated or regulated non-competition prohibition, and the right to be the subject of a proposal stipulated in the articles of association, pre-emption, repurchase and purchase rights must be clearly stated in these promissory notes.

**II – Share ledger**

**ARTICLE 594**-(1) The company keeps a share ledger containing the basic capital shares. The names and addresses of the partners, the number of the basic capital shares owned by each partner, the transfers and transitions of the basic capital shares, their nominal values, their groups and usufruct and pledge rights on the basic capital shares, the names and addresses of the owners are written in this book.

(2) Shareholders can examine the share ledger.

**III – Transition cases of basic capital share**

**1st Cycle**

**ARTICLE 595**-(1) The transfer of the main capital share and the transactions that result in the transfer debt are made in written form and the signatures of the parties are notarized. In addition, additional payment and side performance obligations in the transfer agreement; If the prohibition of competition is aggravated or extended to cover all partners, this issue is also stated in terms of being the subject of a proposal, preemption, repurchase and purchase rights and contract penalties.

(2) Unless otherwise stipulated in the company agreement, the approval of the general assembly of the partners is required for the transfer of the basic capital share. The transfer becomes effective with this confirmation.

(3) Unless otherwise stipulated in the articles of association, the partners may reject the approval of the general assembly without giving any reason.

(4) The transfer of capital shares may be prohibited by a company agreement.

(5) If the company contract prohibits the transfer or the general assembly refuses to give approval, the right of the partner to leave the company for just cause is reserved.

(6) If additional payment or ancillary performance obligations are stipulated in the articles of association, the general assembly may reject the approval, even if there is no provision in the articles of association, if the required guarantee is not given because the solvency of the transferee is considered doubtful.

(7) If the general assembly does not reject it within three months from the application, it is deemed to have given the approval.

**2. Inheritance, property regime between spouses and execution**

**ARTICLE 596**-(1) In cases where the main capital share is transferred by inheritance, provisions regarding the property regime between spouses or through execution, all rights and debts pass to the person who acquires the basic capital share without the need for the approval of the general assembly.

(2) The company may refuse to approve the person to whom the basic capital share has passed within three months from the learning of the acquisition. For this, the company has to offer to the person to whom the share is transferred, to take over the shares on the account of itself or its partner or a third party shown by it, over its actual value.

11113

(3) The refusal decision is retroactive, effective from the day the transfer takes place. The rejection does not affect the validity of the general assembly resolutions taken within the period until the decision on this issue.

(4) If the company does not explicitly and in writing reject the transfer of the basic capital share within three months, it is deemed to have given its approval.

**3. Determination of true value**

**ARTICLE 597**-(1) In cases where the actual value is stipulated as the price of the basic capital share in the law or in the articles of association, if the parties cannot come to an agreement, this value is determined by the commercial court of first instance in the place where the company headquarters is located, upon the request of one of the parties.

(2) The court apportions the trial and valuation expenses at its own discretion. The court's decision is final.

**4. Registration**

**ARTICLE 598**-(1) The company directors apply to the trade registry for the registration of the transitions of the main capital shares.

(2) If the application is not made within thirty days, the leaving partner may apply to the trade registry to have his/her name deleted regarding these shares. The registry manager then gives the company time to notify the name of the acquirer.

(3) The trust of the bona fide person who relies on the registry is protected.

**IV – Basic capital share belonging to more than one partner, various rights on this share**

**1. Shared ownership**

**ARTICLE 599**-(1) If a basic capital share belongs to more than one partner, the stakeholders are jointly and severally liable to the company for additional payment and side performance obligations stipulated in the articles of association.

(2) The stakeholders can exercise their rights arising from the basic capital share only through a common representative they will appoint.

**2. Usufruct and right of pledge**

**ARTICLE 600**-(1) The provisions regarding the establishment of a usufruct right on a basic capital share and the transition of the basic capital share are applied.

(2) With the articles of association, the establishment of a pledge on the basic capital share may be subject to the approval of the general assembly. In this case, the provisions regarding the transition apply. The general assembly may refrain from approving the establishment of the right of pledge only in the presence of justified reasons.

(3) In case of usufruct right on a basic capital share, the share is represented by the usufruct right holder; In this case, the person who has the right of usufruct shall be liable for compensation if he does not protect the interests of the owner of the basic capital share in an equitable manner.

**B) Prohibition of extradition**

**ARTICLE 601**– (1) Except for the reduction of the basic capital, the basic capital share price cannot be returned to the partners, and the partners cannot be released from this debt.

**C) Responsibility of partners**

**ARTICLE 602**-(1) The company is liable for its debts and liabilities only with its assets.

11114

**D) Additional payment and side performance obligations**

**I – Additional payment obligation**

**Rule 1**

**ARTICLE 603**-(1) Partners may be held liable for additional payment other than the basic capital share price, with the articles of association. The fulfillment of this obligation by the partners only,

a) If the total of the company's basic capital and legal reserves cannot cover the loss of the company,

b) It is not possible for the company to continue its business as required without these additional tools,

c) It may be requested in cases where another situation defined in the articles of association and which creates a need for equity has occurred.

(2) With the opening of the bankruptcy, the additional payment obligation becomes due.

(3) Additional payment obligation can only be stipulated in the articles of association as a certain amount based on the basic capital share. This amount cannot exceed twice the nominal value of the basic capital share.

(4) Each partner is only obliged to fulfill the additional payment pertaining to his own basic capital share.

(5) If the conditions are met, additional payments are requested by the managers.

(6) Reduction or removal of the additional payment obligation is only possible if the sum of the basic capital and legal reserves fully covers the losses. The provisions regarding the reduction of the capital required for the reduction or removal of the additional payment obligation are applied by analogy.

**2. Continuation of the obligation**

**ARTICLE 604**-(1) If the company has gone bankrupt within two years from the date of registration of the partner's departure from the company, this former partner is also asked to fulfill its obligation to pay additional payments.

(2) If the additional payment obligation has not been fulfilled by the successor, the partner's liability continues to the extent that it can be asserted against the partner on the date of the obligation.

**3. Refund**

**ARTICLE 605**-(1) In order for the fulfilled additional payment obligation to be partially or completely repaid, the amount of the additional payment must be met from freely available reserves and funds (…) (1) It is essential. (1)

**II – Ancillary performance obligation**

**ARTICLE 606**-(1) With the articles of association, ancillary performance obligations that can serve the realization of the business subject of the company can be envisaged.

(2) The subject, scope, conditions and other important points of ancillary performance obligations related to a basic capital share are specified in the articles of association. Matters that require details can be left to the general assembly arrangement.

(3) Cash and in-kind performance obligations, which do not have a clearly stated or appropriate provision in the company agreement and serve to meet the need for equity, are subject to the provisions regarding the additional payment obligation.

**III – Forecasting**

**ARTICLE 607**-(1) General assembly resolutions that amend the articles of association, stipulate additional or ancillary performance obligations, or increase existing obligations, can only be taken with the approval of all relevant partners.

**E) Dividend and other relevant provisions**

**I – Dividends and reserves**

**ARTICLE 608**-(1) Dividend can be distributed only from the net profit for the period and the reserves set aside for this. Dividend distribution can only be decided if the legal reserves required to be set aside in accordance with the law and the articles of association and the reserves stipulated in the articles of association are set aside.

(2) Unless otherwise stipulated by the articles of association, the dividend is calculated in proportion to the nominal value of the basic capital share; In addition, the amount of additional payment obligations fulfilled is added to the nominal value in the calculation of the profit share.

(3) For the allocation of reserves in amounts that are not foreseen or exceeded in the general assembly of the company, the law or the company contract;

a) If necessary to cover damages,

b) If the need to invest in the development of the company is seriously demonstrated, if the interests of all partners justify such a reserve fund, and if these issues are clearly stated in the company contract,

can decide.

**II – Interest prohibition and preparation period interest**

**ARTICLE 609**-(1) No interest can be paid on the basic capital and additional payments. With the articles of association, it may be foreseen to pay the preparation period interest. In this case, the provisions regarding joint stock companies are applied.

**III – Financial statements and reserves**

**ARTICLE 610**-(1) Provisions of Articles 514 to 527 regarding joint stock companies are also applied to limited liability companies.

**IV – Return of unfairly received dividends**

**ARTICLE 611**-(1) The partner and the manager, who took profit unfairly, are obliged to return it.

(2) If they are in good faith, the debt of the partner or the manager to return the unfairly taken profit cannot exceed the amount required to pay the rights of the creditors of the company.

(3) The company's right to reclaim the unfairly received profit expires after five years from the date of receipt of the money, and after two years in the presence of good faith.

**F) Acquisition of the company's own basic capital shares**

**ARTICLE 612**-(1) The company may acquire its own basic capital shares only if it has equities that it can freely use in order to purchase them and if the sum of the nominal values ​​of the shares it will receive does not exceed ten percent of the basic capital.

(2) In case of acquisition of basic capital shares due to exit or dismissal from a company stipulated in the articles of association or decided by a court decision, the upper limit in the first paragraph is applied as twenty percent. Basic capital shares acquired in an amount exceeding ten percent of the company's basic capital are disposed of within two years or are redeemed through capital reduction.

11116

(3) The company allocates reserves equal to the amount paid for its own basic capital shares.

(4) Voting rights arising from the company's own basic capital shares and other related rights are frozen as long as the shares are held by the company.

(5) Additional and side payment obligations of the company for its own basic capital shares it has acquired cannot be demanded as long as the said shares are held by the company.

(6) Provisions regarding the restriction on the company's own acquisition of its own shares are also applied in the case of the acquisition of the company's basic capital shares by the subsidiary companies in which the majority of the company is owned.

**G) Obligation of loyalty and prohibition of competition**

**ARTICLE 613**-(1) Partners are obliged to protect company secrets. This obligation cannot be removed by the articles of association or the resolution of the general assembly.

(2) Shareholders may not engage in acts that may harm the interests of the company. In particular, they cannot engage in transactions that provide a special benefit to them and harm the purpose of the company. With the articles of association, it can be foreseen that the partners have to avoid transactions and behaviors that compete with the company.

(3) Provisions of Article 626, which stipulates non-competition for managers, are reserved.

(4) If all the remaining partners give their written consent, the partners may engage in activities contrary to the obligation of loyalty or the prohibition of competition. The articles of association may stipulate the approval decision of the general assembly of the partners instead of the approval in the first sentence.

**H) The right to receive information and to examine**

**ARTICLE 614**-(1) Each partner can ask the managers to provide information about all the business and accounts of the company and can make investigations on certain issues.

(2) If there is a danger that the partner may use the information obtained to the detriment of the company, the directors may prevent the obtaining of information and examination as necessary; The general assembly decides on this subject upon the application of the partner.

(3) If the general assembly unjustly prevents information and examination, the court decides on this matter upon the request of the partner. The court decision is final.

**I) Borrowings to replace equity**

**ARTICLE 615**-**(Mülga: 26/6/2012-6335/43 md.)**

11117

**CHAPTER FOUR**

**Bodies of the Company**

**A) General assembly**

**I – Powers**

**ARTICLE 616**-(1) The inalienable powers of the general assembly are as follows:

a) Changing the articles of association.

b) Appointment and dismissal of directors.

c) With the group auditor (…) (1) appointment and dismissal of auditors. (1)

d) Approval of the Group's year-end financial statements and annual activity report.

e) Approval of the year-end financial statements and annual report, making a decision about the profit share, determining the profit shares.

f) Determination of the remuneration of the managers and their release.

g) Approval of the transfer of basic capital shares.

h) Requesting the court to remove a partner from the company.

ı) Authorization of the manager for the acquisition of the company's own shares or approval of such an acquisition.

i) Dissolution of the company.

j) Deciding on matters that the general assembly is authorized by law or articles of association, or on matters submitted by the directors to the general assembly.

(2) The following are the non-transferable powers of the general assembly if they are stipulated in the articles of association:

a) The cases where the approval of the general assembly is sought in accordance with the articles of association and the approval of the activities of the managers.

b) Making a decision on the use of the right to be the subject of a proposal, preemption, redemption and purchase.

c) Approval regarding the establishment of a pledge right on the basic capital shares.

d) Issuing an internal directive on ancillary performance obligations.

e) Granting the necessary permission for the approval of the managers and partners to engage in activities inconsistent with the obligation of loyalty to the company or the prohibition of competition, in case the shareholders' approval is not sufficient in accordance with the fourth paragraph of Article 613 of the articles of association.

f) Dismissal of a partner from the company due to the reasons stipulated in the articles of association.

(3) In limited liability companies with one partner, this partner has all the powers of the general assembly. The decisions to be taken by the sole partner as the general assembly must be in writing in order for them to be valid.

**II – Meeting of the general assembly**

**1. Call**

**ARTICLE 617**-(1) The general assembly is called to the meeting by the managers. Ordinary general assembly meeting is held every year within three months following the end of the accounting period. In accordance with the articles of association and when necessary, the general assembly is called for an extraordinary meeting.

(2) The general assembly is called to the meeting at least fifteen days before the meeting day. The company agreement can extend this period or shorten it up to ten days.

-----------------

*(1) With the 26st article of the Law No. 6 dated 2012/6335/41, the phrase “including the process auditors” in this paragraph has been removed from the text of the article.*

11118

(3) Provisions regarding joint stock companies on convocation, minority's right to call and propose, agenda, proposals, uninvited general assembly, preparatory measures, minutes, unauthorized participation, are applied by analogy, excluding those related to the Ministry representative. Each partner can have himself represented in the general assembly through a partner or non-partner.

(4) Unless any partner requests an oral meeting, general assembly resolutions can also be made by obtaining the written approval of the other partners for the proposal of one of the partners regarding the agenda item. Submitting the same proposal to the approval of all partners is essential for the validity of the decision.

**2. Voting right and calculation**

**ARTICLE 618**-(1) Voting rights of the partners are calculated according to the nominal value of their basic capital shares. Unless a higher amount is stipulated in the articles of association, every twenty-five Turkish Lira gives one vote. However, the voting rights of shareholders with more than one share may be limited by the articles of association. The partner has at least one voting right. Written votes can also be cast if it is expressly arranged in the company contract.

(2) The articles of association may also determine the voting right in such a way that one voting right is deducted for each basic capital share, regardless of the nominal value. In this case, the nominal value of the smallest basic capital share cannot be less than one-tenth of the sum of the nominal values ​​of the other basic capital shares.

(3) The provisions of the articles of association regarding the determination of the voting right according to the number of basic capital shares do not apply in the following cases:

a) Election of the auditors.

b) Selection of a special auditor for the audit of the company management or some parts of it.

c) Making a decision about filing a liability lawsuit.

**3. Deprivation of the right to vote**

**ARTICLE 619**-(1) Those who have participated in the management of the company in any way cannot vote in the decisions regarding the release of the managers.

(2) In the decisions regarding the acquisition of the company's own basic capital share, the shareholder who has transferred the basic capital share cannot vote.

(3) The relevant partner cannot vote in the decisions approving the partner's commitment to act against the obligation of loyalty or the prohibition of competition.

**III - Decision making**

**1. Ordinary decision making**

**ARTICLE 620**-(1) Unless otherwise stipulated in the law or the articles of association, all general assembly resolutions, including election decisions, are taken with the absolute majority of the votes represented at the meeting.

**2. Important decisions**

**ARTICLE 621**-(1) The following general assembly resolutions can be taken if at least two-thirds of the votes represented and the absolute majority of the entire share capital holding the right to vote come together:

a) Changing the company's business subject.

b) Establishment of voting privileged basic capital shares.

c) Limiting, prohibiting or facilitating the transfer of basic capital shares.

11119

d) Increasing the basic capital.

e) Limitation or removal of the priority right.

f) Changing the headquarters of the company.

g) Approval by the general assembly for the directors and partners to act contrary to the obligation of loyalty or the prohibition of competition.

h) Applying to the court to dismiss a partner from the company for justified reasons and expulsion of a partner from the company for the reason stipulated in the articles of association.

i) Dissolution of the company.

(2) If aggravated quorum is sought in the law for certain decisions to be taken, the provisions of the articles of association that will further aggravate this quorum can only be accepted with the majority stipulated in the articles of association.

(3) **(Ek: 12/7/2013-6495/52 md.)** A change in the contract regarding the possibility of including the reasons for the dismissal of a partner from the company later in the company agreement is possible with the unanimous decision of all partners representing the company's capital at the general assembly meeting.

**IV- Nullification and cancellation of the resolutions of the general assembly**

**ARTICLE 622**-(1) Provisions of this Law regarding nullity and cancellation of joint stock company general assembly resolutions are also applied to limited liability companies by analogy.

**B) Management and representation**

**I – Managers**

**1. In general**

**ARTICLE 623**-(1) The management and representation of the company is regulated by the company contract. The management and representation of the company can be given to one or more partners holding the title of manager, or to all partners or third parties. At least one partner must have the right to manage and represent the company.

(2) If one of the directors of the company is a legal person, this person determines a real person who will fulfill this duty on behalf of the legal person.

(3) Managers are authorized to take and execute decisions on all matters related to the management that are not left to the general assembly by law or by the articles of association.

**2. Having more than one manager**

**ARTICLE 624**-(1) If the company has more than one manager, one of them is appointed as the chairman of the board of directors by the general assembly, regardless of whether he is a partner of the company.

(2) If there is a manager or a single manager who is the chairman, this person is responsible for making all the explanations and announcements, unless the general assembly takes a decision in a different direction or a different arrangement is foreseen in the company agreement, as in the case of calling the general assembly meeting and conducting the general assembly meetings. is authorized.

(3) In the presence of more than one manager, they usually take decisions. In case of equality, the vote of the chairman is considered superior. The articles of association may stipulate a different arrangement for the managers to take decisions.

**II – Duties, powers and obligations**

**1. Inalienable and inalienable duties**

**ARTICLE 625**-(1) Managers are in charge and authorized in all matters for which the laws and articles of association do not assign duties and powers to the general assembly. Managers cannot delegate or waive the following duties and authorities:

a) Management and management of the company at a high level and giving the necessary instructions.

b) Determination of the company management organization within the framework of the law and the company agreement.

11120

c) Establishing accounting, financial auditing and financial planning, if necessary for the management of the company.

d) Supervision of the persons to whom some parts of the company management have been transferred, whether they act in accordance with the laws, articles of association, internal regulations and instructions.

e) Establishment of a risk early detection and management committee, excluding small limited companies.

f) Preparing the company's financial statements, annual report and, if necessary, group financial statements and annual report.

g) Preparing the general assembly meeting and executing the general assembly resolutions.

h) If the company is in debt, notifying the court of the situation.

(2) In the company contract, the director or managers;

a) the specific decisions they have taken, and

b) individual problems,

It can be foreseen that they should be submitted to the approval of the general assembly. The approval of the general assembly does not eliminate or limit the responsibility of the directors. The provisions of articles 51 and 52 of the Turkish Code of Obligations are reserved.

**2. Obligation of care and commitment, prohibition of competition**

**ARTICLE 626**-(1) Managers and persons in charge of management are obliged to perform their duties with all due diligence and to observe the interests of the company within the framework of the rule of good faith. The provisions of Articles 202 to 205 are reserved.

(2) Unless otherwise stipulated in the articles of association, or unless all other partners give written permission, the managers cannot engage in a competitive activity with the company. The articles of association may stipulate the approval decision of the general assembly of the partners instead of the approval of the partners.

(3) Managers are also subject to the loyalty debt stipulated for the partners.

**3. Equal treatment**

**ARTICLE 627**-(1) Managers treat partners equally under equal conditions.

**III – Residence of the directors**

**ARTICLE 628**-**(Mülga: 26/6/2012-6335/43 md.)**

**IV – Scope and limitation of the power of representation**

**ARTICLE 629**-(1) Relevant provisions of this Law regarding joint stock companies are applied by analogy to the scope of the representation powers of the directors, the limitation of the authority, the determination of the authorized signatories, the type of signature and their registration and announcement.

(2) Whether the company is represented by a single partner or not at the time of conclusion of the contract, the validity of the contract between this partner and the company in limited liability companies with one partner depends on making the contract in writing. This obligation does not apply to contracts relating to daily, insignificant and ordinary transactions according to market conditions.

(3) **(Add: 10 / 9 / 2014 - 6552 / 132 md.)** Article 367 and the seventh paragraph of Article 371 are applied to limited liability companies by analogy with regard to the appointment of those who are bound to the company with a service contract by the directors as commercial agents with limited authority or other merchant assistants.

**V – Dismissal, withdrawal and limitation of management and representation power**

**ARTICLE 630**-(1) The general assembly may dismiss the manager or managers, limit the management right and representation authority.

11121

(2) Each partner, in the presence of justified reasons, may request the abolition or limitation of the management right and representation powers of the managers from the court.

(3) The manager's gross violation of his duty of care and loyalty, his obligations arising from other laws and the company contract, or the loss of the necessary ability for the good management of the company is considered a justifiable reason.

(4) The compensation rights of the dismissed manager are reserved.**.**

**VI – Commercial agents and commercial agents**

**ARTICLE 631**-(1) Unless otherwise stipulated in the articles of association, commercial representatives and commercial proxies can only be appointed by the decision of the general assembly; powers may be limited by the general assembly.

(2) The manager or the majority of the managers can always dismiss the commercial representative or commercial representative that does not fall within the scope of Article 623. If this person has been appointed by the decision of the general assembly, the general assembly is called for a meeting without delay in order to dismiss him and limit his powers.

**VII – Tort liability**

**ARTICLE 632**-(1) The company is responsible for the tortious act committed by the person authorized by the management and representation of the company while performing his duties regarding the company.

**C) Loss of capital and insolence**

**I – Notification obligation**

**ARTICLE 633**-(1) In case of loss of basic capital or insolvency, the relevant provisions regarding joint stock companies are applied by analogy. Provisions regarding additional payment obligation are reserved.

**II- Notification of bankruptcy and request for concordat(1)**

**ARTICLE 634**- **(Değişik: 28/2/2018-7101/63 md.)**

(1) The provisions of the joint stock company are applied to the declaration of bankruptcy and the concordat request.

**D) Auditor**

**ARTICLE 635**-(1) Except for the fifth and sixth paragraphs of Article 397, the joint stock company's auditor (…)(2) The provisions of the audit and special audit are also applied to the limited company.(2) (3)

**SECTION FIVE**

**Termination and Separation**

**A) Reasons for termination and consequences of termination**

**ARTICLE 636**-(1) A limited liability company is dissolved in the following cases:

a) With the realization of one of the reasons for termination stipulated in the articles of association.

b) With the decision of the general assembly.

c) With the opening of bankruptcy.

d) In other cases of termination stipulated in the law.

(2) If one of the legally required organs of the company does not exist for a long time or if the general assembly cannot be convened, upon the request of one of the partners or the creditors of the company to dissolve the company, the commercial court of first instance in the place where the company headquarters is located determines a period for the company to bring its situation into compliance with the Law by listening to the managers. However, if the situation is not corrected, he decides to dissolve the company.

-----------------

*(1) The title of this article, “II – Declaring or postponing bankruptcy” has been changed as it is in the text with Article 28 of the Law No. 2 dated 2018/7101/63.*

*(2) With the 26st article of the Law No. 6 dated 2012/6335/41, the phrase "and with the transaction auditors" in this paragraph has been removed from the text of the article.*

*(3) With the article 28 of the Law No. 3 dated 2013/6455/82, the phrase "other than the fifth and sixth paragraphs of the article 397" has been added to come before the phrase "Anonymous" in this article.*

11122

(3) In the presence of justified reasons, each partner may request the dissolution of the company from the court. Instead of the request, the court may order the plaintiff partner to be paid the actual value of his share and dismiss the plaintiff partner from the company, or any other acceptable and appropriate solution to the situation.

(4) When an action for termination is filed, the court may take the necessary measures upon the request of one of the parties.

(5) Provisions pertaining to joint stock companies shall apply to the consequences of dissolution.

**B) Registration and announcement**

**ARTICLE 637**-(1) If the termination is due to a reason other than bankruptcy and a court decision, the manager, if there is more than one manager, at least two managers shall have it registered and announced in the trade registry.

**C) Exit and removal**

**I - in general**

**ARTICLE 638**-(1) The articles of association may grant the partners the right to leave the company, and may bind the exercise of this right to certain conditions.

(2) Each partner can file a lawsuit to decide to leave the company in the presence of justified reasons. The court may, upon request, decide to freeze some or all of the plaintiff's rights and debts arising from the partnership, or to take other measures to secure the plaintiff partner's situation during the lawsuit.

**II – Participate in dating**

**ARTICLE 639**-(1) If one of the partners wants to quit based on the provision in the articles of association or files a lawsuit for justifiable reasons, the manager or managers shall inform the other partners without delay.

(2) Each of the other partners, within one month from the date of receiving the news;

a) Notifying the managers that he/she will also participate in the exit, if the just cause stipulated in the articles of association is valid for him/her,

b) Participating in a lawsuit to be filed due to justified reasons,

has the right.

(3) All exiting partners are treated equally, in proportion to their basic capital shares.

(4) In the event that a partner is expelled from the company due to the provision in the articles of association or due to the existence of a just cause, this provision is not applicable.

**III - Subtraction**

**ARTICLE 640**-(1) In the articles of association, the reasons for expulsion of a partner from the company by the decision of the general assembly may be stipulated.

(2) Against the expulsion decision, the partner may file an action for annulment within three months following the notification of the decision through the notary public.

(3) At the request of the company, the expulsion of the partner from the company based on a just cause with a court decision is reserved.

**IV – Separation coin**

**1. Claim and amount**

**ARTICLE 641**-(1) If the partner leaves the company, he/she has the right to demand the withdrawal fund corresponding to the actual value of the basic capital share.

11123

(2) Due to the right to leave stipulated in the articles of association, the articles of association may regulate the withdrawal funds in a different way.

**2. Payment**

**ARTICLE 642**-(1) Separation fund;

a) If the company is saving on available equity,

b) If the principal capital shares of the person leaving are transferable,

c) If the basic capital has been reduced in accordance with the relevant provisions,

becomes due by separation.

(2)**(Mülga: 26/6/2012-6335/43 md.)**

(3) The unpaid portion of the retirement fund of the leaving partner constitutes a receivable against the company, which comes after all the creditors. This matter becomes due with the determination of the available equity amount in the annual report.

**D) Liquidation**

**ARTICLE 643**-(1) Provisions pertaining to joint stock companies are applied regarding the powers of company organs in the liquidation procedure:

**E) Provisions to be applied**

**ARTICLE 644**-(1) The provisions regarding joint stock companies whose item numbers are stated below are also applied to limited liability companies.

a) Article 549 regarding the illegality of documents and statements; Article 550 on misrepresentations about capital and awareness of inability to pay; 551 on corruption in valuation; 553, which regulates the responsibility of the founders, members of the board of directors, managers and liquidators; auditors (…) (1) Articles 554 to 561 regarding liability. (1)

b) **(Değişik: 26/6/2012-6335/32 md.)**Article 353 regarding termination, Article 358 regarding the prohibition of borrowing against the company, the provisions of the first and second sentences of the second paragraph of Article 395 regarding the borrowing of the relatives of the managers to the company, the third paragraph of the article 509 regarding the advance dividends.

c) Article 391 on the nullity of the resolutions of the board of directors, and Article 392, to be applied by analogy to the managers' right to information.

d) Those who violate articles 549 to 551, which are also applied to limited liability companies, are punished with the penalties stipulated in the eighth to tenth paragraphs of article 562.

**THIRD BOOK**

**Valuable Documents**

**PART ONE**

**General provisions**

**A) Definition of securities**

**ARTICLE 645**- (1) Negotiable instruments are such bills that the rights they contain cannot be asserted separately from the deed and cannot be transferred to others.

**B) Debt arising from the promissory note**

**ARTICLE 646**-(1) The debtor of the negotiable instrument is only obliged to pay in return for the delivery of the deed.

(2) Unless there is fraud or gross fault, the debtor is relieved of his debt by making a payment to the person who is understood to be a creditor according to the nature of the deed, when the maturity comes.

------------------

*(1) With Article 26 of the Law No. 6 dated 2012/6335/32, the phrase "and transaction auditors" in this paragraph has been removed from the text of the article.*

11124

**C) Transfer of valuable documents**

**I – General shape**

**ARTICLE 647**-(1) For the transfer of valuable papers for the purpose of establishing ownership or a limited real right, the transfer of possession on the promissory note is presumably essential.

(2) In addition to this, endorsement is required for promissory notes, and a written transfer statement is required for registered promissory notes. This declaration can be written on the valuable paper or on a separate paper.

(3) By law or contract, it may be stipulated that others, in the meantime, especially the debtor, must participate in the circuit.

**II – Turnover**

**1. Figure**

**ARTICLE 648**-(1) In all cases, the endorsement is made in accordance with the provisions regarding the endorsement of the policy.

(2) For the transfer, it is sufficient to pass the endorsement and possession of the bill.

**2. Provisions**

**Matter** **649**-(1) The rights of the endorser are transferred to the endorsed by the endorsement and possession of all the negotiable instruments, unless the content or the nature of the deed indicates otherwise.

**D) Changing the type of the deed**

**ARTICLE 650**-(1) A deed written to a name or an order can only be converted into a maternity deed with the consent of all persons to whom it has given rights and debts. This consent must be written directly on the promissory note.

(2) The same rule applies to converting maternity bills into registered or promissory notes. If there is no consent of one of the right or debt holders in this final situation, this conversion only becomes effective between the creditor who made the conversion and the person who is the direct successor to his rights.

**E) Cancellation decision**

**I - Terms**

**ARTICLE 651**-(1) If the valuable paper is lost, the court can decide to cancel it.

(2) The person who has the right on the bill at the time of loss of the negotiable instrument or when the loss occurs, may request the cancellation of the deed.

**II – Provisions**

**ARTICLE 652**-(1) Upon the cancellation decision, the beneficiary may claim his right without a promissory note or request the issuance of a new promissory note.

(2) Apart from this, special provisions regarding various types of negotiable instruments are applied regarding the cancellation procedure and provisions.

**F) Special provisions**

**ARTICLE 653**-(1) Special provisions regarding various negotiable instruments are reserved.

**PART TWO**

**Registered Bills**

**A) Definition**

**ARTICLE 654**-(1) Negotiable instruments that are written in the name of a certain person but do not include its registration in his/her order and are not counted among the bills written to the order by law are deemed to be registered bills.

11125

**B) How will the creditor prove his right?**

**I – As a rule**

**ARTICLE 655**-(1) The debtor has to pay only to the persons who are the holders of the deed and whose name is written in the deed or who can prove that he is his legal successor.

(2) Even though this point is not proven, the debtor who makes the payment shall not be relieved of his debt to a third party who proves that he is the real owner of the note.

**II – Incomplete registered notes**

**ARTICLE 656**-(1) The debtor, who has reserved the right to pay the price of the note to each bearer, in the registered deed, would be relieved of his debt as a result of the payment he would make in good faith, had he not sought to prove his title as a creditor. However, the pregnant woman is not obligated to pay. The provision of the second paragraph of Article 785 is reserved.

**C) Cancellation decision**

**ARTICLE 657**-(1) Unless there are special provisions to the contrary, registered bills are canceled in accordance with the provisions regarding pregnant written promissory notes.

(2) The debtor may propose a simpler procedure for annulment by reducing the number of announcements in the promissory note or shortening the periods, or if the creditor gives him a formally issued or duly approved document showing the cancellation of the bill and the payment of the debt, it can also be valid without submitting the promissory note and deciding to cancel it. reserves the right to pay.

**PART THREE**

**Pregnant Written Bills**

**A) Definition**

**ARTICLE 658**-(1) Any valuable instrument, which is understood from the text or form of the deed to be the rightful owner of that person, is considered a pregnant or bearer deed.

(2) The payment of the debtor who is barred from payment by a court decision is not valid.

**B) The debtor's defenses**

**I - in general**

**ARTICLE 659**-(1) The debtor can claim defenses against the debtor who is the creditor against the claim arising from a written promissory note, only with the defenses regarding the invalidity of the deed or as understood from the text of the deed.

(2) Claiming defenses based on direct relations between the debtor and one of the previous holders is valid only if the holder knowingly acted to the detriment of the debtor while acquiring the note.

(3) It cannot be claimed that the promissory note was put into circulation without the consent of the debtor.

**II – Pregnant written interest coupons**

**ARTICLE 660**-(1) The debtor cannot claim that the principal has been paid against the receivable arising from the written interest coupons.

(2) In case the principal is paid, the debtor has the right to retain the amount of the interest coupons that are due in the future but not delivered to him together with the original promissory note, until the statute of limitations applicable to these coupons expires; unless it was decided to cancel the undelivered coupons or a guarantee was given for the amount.

11126

**C) Cancellation decision**

**I - in general**

**1. Authority**

**ARTICLE 661**- (1) Except for share certificates, bonds, usufruct certificates, individual coupons, the court decides on the request of the right holder for the cancellation of the coupon certificates, the certificates with written documents such as talons for the renewal of the main coupon documents.

(2) The competent court is the commercial court of first instance where the debtor's domicile or the place where the headquarters of the joint stock company is located.

(3) The claims of the petitioner that he has possession of the deed and that he has lost it must be found convincing by the court.

(4) If a bill contains a coupon table or talon and the holder has lost only the coupon table or talon, the submission of the main part of the bill is sufficient to prove that the claim is justified.

**2. Payment ban**

**ARTICLE 662**- (1) Upon the petitioner's request, the court forbids the debtor of the bill from paying the price by warning that he will have to pay twice if he acts to the contrary.

(2) If it is necessary to cancel a coupon document, the provisions regarding the cancellation of interest coupons shall apply to individual coupons that are due during the lawsuit.

**3. Call with advertisement, application period**

**ARTICLE 663**-(1) If the court finds credible the explanations of the petitioner that the owner of the deed has been found and has lost it, it calls the unidentified bearer to present the deed within a certain period of time by means of an announcement, and warns that otherwise the deed will be cancelled. The duration must be determined as at least six months; this period starts to run from the first announcement day.

**4. Type of advertisement**

**ARTICLE 664**-(1) Announcement regarding the submission of the bill must be made three times in the newspaper written in Article 35.

(2) If the court deems necessary, it may also decide to make announcements in other ways it deems appropriate.

**5. Provisions**

**a) Upon presentation of the deed**

**ARTICLE 665**-(1) If the deed whose cancellation is requested is submitted, the court determines a period of time for the petitioner to file a case for the return of the deed.

(2) If the petitioner does not file a lawsuit within this period, the court returns the bill and lifts the prohibition on payment.

**b) In case the deed is not presented**

**ARTICLE 666**-(1) The court decides to cancel the deed that is not presented within the specified period or may take other measures if it deems necessary.

(2) The decision regarding the annulment of a pregnant written deed is announced immediately in the newspaper mentioned in Article 35 and by other means if the court deems it necessary.

(3) Upon the cancellation decision, the petitioner has the right to demand the issuance of a new bill at his own expense or the performance of the due debt.

11127

**II – Procedure in coupons**

**ARTICLE 667**-(1) In case of loss of individual coupons, upon the request of the right holder, the court decides that the amount be deposited in the court on due date, if the due date has expired.

(2) If no right holder applies after three years and three years have passed since the maturity date, the price is given to the petitioner by court decision.

**III – Procedure in banknotes and similar papers**

**ARTICLE 668**-(1) It cannot be decided to cancel banknotes and other written bills with certain values, which are required to be paid when issued in large quantities and used as a means of payment instead of money.

(2) Special provisions regarding bonds issued by the government are reserved.

**D) Mortgaged debt securities and annuities**

**ARTICLE 669**-(1) The special provisions regarding the mortgaged debt note and annuity bond are reserved.

**FOURTH PART**

**Bills of Exchange**

**A) Borrowing license**

**ARTICLE 670**-(1) The person who is eligible to borrow under the contract is also eligible to borrow with bills of exchange.

**FIRST PART**

**Policy**

**FIRST DECEMBER**

**Arrangement and Form of the Policy**

**A) Shape**

**I – Elements**

**1. In general**

**ARTICLE 671**-(1) Policy;

a) The word "police" in the text of the promissory note, if the promissory note is written in a language other than Turkish, the word used as a policy equivalent in that language,

b) Unconditional and unconditional transfer for payment of a certain amount,

c) The name of the person who will pay, "the addressee",

d) Maturity,

e) Place of payment,

f) To whom or to whose order it will be paid, his name,

g) Date and place of issue,

h) The signature of the organizer,

It contains.

**2. Absence of elements**

**ARTICLE 672**-(1) A promissory note that does not contain one of the elements written in Article 671 is not considered a policy, except for the cases written in the second to fourth paragraphs.

(2) The policy, whose maturity is not shown, is deemed to be paid when seen.

(3) Unless specified separately, the place shown next to the addressee's name is considered the place of payment and at the same time the place of residence of the addressee.

11128

(4) A policy whose place of issue is not shown is deemed to have been drawn up at the place indicated next to the name of the issuer.

**II – Individual elements**

**1. The issuer is also the addressee or the person payable to his order**

**ARTICLE 673**-(1) The policy can be written to the order of the issuer himself, or it can be issued to the issuer himself or for the account of a third party.

**2. Addressed and local policy**

**ARTICLE 674**-(1) The policy may be drawn up to be paid in the presence of a third party, at the addressee's domicile or elsewhere.

**3. Interest requirement**

**ARTICLE 675**- (1) An interest requirement may be imposed by the issuer on a policy that is required to be paid at sight or after a certain period of time. In other policies, such an interest condition is deemed not written.

(2) The interest rate must be shown on the policy; If it is not shown, the interest condition is deemed not written.

(3) If no other day is specified, interest accrues from the issuance day of the policy.

**4. Displaying the policy cost in various ways**

**ARTICLE 676**-(1) If the policy price is shown both in writing and in numbers, and there is a difference between the two prices, the price shown in writing is preferred.

(2) If the policy price is shown more than once only in writing or only in numbers and there is a difference between the prices, the lowest price is considered valid.

**B) Responsibility of signatories**

**I – Finding invalid signatures**

**ARTICLE 677**-(1) If a policy includes the signatures of persons who are not qualified to borrow under the policy, forged signatures, signatures of fictitious persons or signatures that do not bind for any reason the signatories or the persons signed on their behalf, the validity of other signatures shall not be affected.

**II – Unauthorized signature**

**ARTICLE 678**-(1) The person who puts his signature on a policy as a representative of a person, although he is not authorized to represent, is personally liable for that policy; if he pays this policy, he will have the rights that the person considered to be represented may have. This is also the case for the representative who exceeds his authority.

**III – Responsibility of the organizer**

**ARTICLE 679**-(1) The issuer is responsible for non-acceptance and non-payment of the policy. Even if the organizer may stipulate that it will not be liable in case of non-acceptance, the records that it will not be liable for non-payment shall be deemed not written.

**IV – Open policy**

**ARTICLE 680**-(1) If a policy that was not fully filled at the time of its being put into circulation is filled out in violation of the agreements in between, the claim that these agreements are not complied with cannot be brought forward against the pregnant; unless the bearer acquired the policy in bad faith or it was possible to accuse him of a serious fault at the time of acquisition.

11129

**SECOND AYIRIM**

**Cyrus**

**A) Transfer of the policy**

**ARTICLE 681**-(1) Even if every policy is not expressly written, it can be transferred by endorsement and possession.

(2) If the issuing party has put the phrase "not in writing to order" or a record with the same meaning, the policy can only be transferred through the assignment of the receivable, and this transfer will have legal consequences for the assignment of the receivable.

(3) The endorsement can be made to the addressee, the issuer or any of the people who are in debt with the policy, whether they have accepted the policy or not. These persons can re-enroll the policy.

**B) Turnover**

**I – Unconditional, unconditional**

**ARTICLE 682**-(1) Turnover must be unconditional and unconditional. Any condition on which the turnover is bound is considered unwritten.

(2) Partial turnover is void.

(3) Bearer endorsement has the effect of white endorsement.

**II – The shape of the turnover**

**ARTICLE 683**- (1) The endorsement must be written on the policy or on a piece of paper that is attached to the policy, called "along" and signed by the endorser.

(2) The endorsement does not need to be shown in the endorsement, and the endorsement can only consist of the endorser's signature. Such turnovers are called “white turnovers”. The white endorsement must be written on the back of the policy or on the alligator.

**III – Provisions of turnover**

**1. Revolution function**

**ARTICLE 684**- (1) With the transfer of turnover and possession, all rights arising from the policy are transferred.

(2) If the turnover is white turnover bearer;

a) Fill the turnover in his own name or on behalf of another person,

b) Re-endorsement of the policy in white or to another specified person,

c) White can give the policy to another person without filling out the endorsement and without re-affirming the policy.

**2. Collateral function**

**ARTICLE 685**-(1) Unless otherwise stipulated, the endorser is responsible for the acceptance and non-payment of the policy.

(2) The endorser may prohibit the re-endorsement of the policy; In this case, the bill is not liable to the persons to whom it has been endorsed later.

**3. Owner's entitlement**

**ARTICLE 686**- (1) The person holding a policy is deemed to be the authorized bearer, even if the final endorsement is a white endorsement, provided that his/her right is understood from several and interconnected endorsements. The drawn endorsements are deemed not written in this regard. If a white endorsement is followed by another endorsement, the person who signed the last endorsement is deemed to have acquired the policy with a white endorsement.

11130

(2) If the policy is found to be out of the hands of the holder for any reason, the new holder, whose right is understood according to the provisions written in the first paragraph, is obliged to return the policy only if he has acquired the policy in bad faith or there is a serious fault in his acquisition.

**IV – Defiler**

**ARTICLE 687**-(1) The person to whom the policy is applied cannot claim against the applicant pregnant, who is the issuer or defenses based on direct relations with one of the previous bearers; unless the holder deliberately acts to the detriment of the debtor while acquiring the policy.

(2) Provisions regarding transfers made through the assignment of receivables are reserved.

**V – Types of turnover**

**1. Collection turnover**

**ARTICLE 688**-(1) If the endorsement includes an annotation stating that the price is to be collected, "by proxy" or that the price will be accepted on behalf of someone else, or a record expressing only proxy, the bearer can use all the rights arising from the policy; but he can only endorse that policy again with a collection endorsement.

(2) Those responsible for the policy, in this case, can only make defenses against the pregnant party, which they can claim against the endorser.

(3) The authorization contained in the collection endorsement does not end with the death of the person giving this authorization, nor does it disappear with the loss of his/her capacity to exercise civil rights.

**2. Pledge turnover**

**ARTICLE 689**-(1) If the endorsement includes the phrase "price is collateral", "price is pledged" or any other record indicating the pledge, the holder may exercise all rights arising from the policy; but an endorsement made by him is only a collection endorsement.

(2) Those in charge of the policy cannot claim defenses based on direct relations between them and the endorser against the pregnant woman; unless the holder deliberately acts to the detriment of the debtor while acquiring the policy.

**3. Turnover after maturity**

**ARTICLE 690**-(1) An endorsement made after the expiration of the maturity gives rise to the provisions of an endorsement made before the maturity; however, endorsement made after the protest for non-payment or the expiry of the time stipulated for the organization of this protest will only give rise to the provisions of the assignment of receivables.

(2) Until proven otherwise, an undated endorsement is deemed to have been made before the deadline for holding the protest has passed.

**THIRD SEPARATION – Acceptance and Availability**

**A) Offer for acceptance**

**I - Rule**

**ARTICLE 691**-(1) The policy can be submitted to the acceptance of the addressee at the place of residence by the holder or anyone holding the policy until the maturity date.

**II – The condition and prohibition of supply for acceptance**

**ARTICLE 692**-(1) The issuer may stipulate that the policy be submitted for acceptance, with or without specifying a period of time.

11131

(2) The issuer may write on the policy that it forbids the offering of the policy for acceptance, except for policies that must be paid at the domicile of a third party or elsewhere from the addressee's residence or after a certain period of time.

(3) The issuer may also stipulate that the policy should not be submitted for acceptance before a certain date.

(4) Unless the issuer has prevented the offer of the policy for acceptance, each endorser may stipulate the supply of the policy for acceptance, with or without a period of time.

**III – In policies that must be paid after a certain period of time**

**ARTICLE 693**-(1) Policies that are required to be paid after a certain period of time must be submitted for acceptance within one year from the date of issue.

(2) The organizer may shorten this period or stipulate a longer period.

(3) The endorsers may shorten the time of submission to acceptance.

**IV – Resubmission**

**ARTICLE 694**-(1) The addressee may request the presentation of the policy again on the day following the day it was presented to him. Those concerned may claim that this request has not been fulfilled, but only if this request has been written in the protest.

(2) The bearer is not obliged to leave the policy submitted for acceptance to the addressee.

**B) Acceptance**

**I - Shape**

**1. In general**

**ARTICLE 695**-(1) The acceptance declaration is written on the policy and expressed as "accepted" or another synonymous phrase and signed by the addressee. It is accepted that the addressee puts his signature on the front of the policy only.

(2) If the policy is stipulated to be paid after a certain period of time after it is seen, or if it is required to be accepted within a certain period due to a special condition, the date of the day of acceptance shall be included in the policy, unless the bearer requests that the date of presentation be omitted. If the date has not been set, the holder must have this deficiency determined by a protest to be held in time in order to protect their right to appeal against the organizer with the endorsers.

**2. Limitation of acceptance**

**ARTICLE 696**-(1) Acceptance must be unconditional; however, the addressee may limit the acceptance to a part of the policy price.

(2) If the acceptance declaration differs from the policy content at other points, the policy is deemed not accepted. However, the acceptor is responsible within the framework of the conditions in the acceptance declaration.

**3. Addressed and local policy**

**ARTICLE 697**-(1) If the issuer has declared a place other than the addressee's place of residence as a place of payment without indicating a third party to whom the payment will be made in the policy, the drawee may indicate a third party in the acknowledgment. Otherwise, the addressee is deemed to have committed to pay the policy in person at the place of payment.

(2) If the policy is stipulated to be paid in person before the drawee, the drawee may indicate in the acknowledgment an address located at the place of payment, including the place where the payment is to be made.

11132

**II – Provisions**

**1. In general**

**ARTICLE 698**-(1) By accepting the policy, the addressee undertakes to pay the price in due time.

(2) In case of non-payment, the bearer has the right to request directly from the acceptor everything that can be requested in accordance with Articles 725 and 726 due to the policy, even if it is the issuer.

**2. Drawing the acknowledgment**

**ARTICLE 699**-(1) If the drawee draws the acknowledgment of acceptance on the policy before returning the policy, it is deemed to have avoided acceptance. It is presumed that the acknowledgment was drawn before the return of the policy, until proven otherwise.

(2) However, if he has notified the addressee or a person who has signed the policy in writing that he has accepted the policy, he will be liable against them within the framework of the acceptance declaration.

**C) Aval**

**I – Aval givers**

**ARTICLE 700**-(1) Payment of the price in the policy can be fully or partially secured by bill of exchange.

(2) This guarantee may also be given by a third party or a person who has signed the policy.

**II - Figure**

**ARTICLE 701**-(1) Aval annotation is written on the policy or on the allong.

(2) Aval is expressed as "for the aval" or other synonymous phrase and is signed by the person giving the aval.

(3) Except for the signatures of the drawee or the issuer, any signature on the face of the policy is considered an annotation.

(4) If it is not specified to whom it was given, the bill is deemed to have been given to the organizer.

**III – Provisions**

**ARTICLE 702**-(1) The person giving the aval shall be liable just like the person for whom he has committed himself.

(2) Even if the debt secured by the bill giver is invalid due to any reason other than formal defect, the pledge of the bill giver is valid.

(3) If the billing party pays the price of the policy, it acquires the rights arising from the policy against the person for whom it has been committed due to the policy, and against him and the persons responsible under the policy.

**FOURTH SECTION – Payment**

**A) Maturity**

**I – Determining the maturity**

**1. In general**

**ARTICLE 703**-(1) A policy;

a) When seen,

b) After a certain period of time,

c) After a certain period of time from the day of issue,

d) On a certain day,

can be arranged for payment.

(2) Policies with different maturities or showing several consecutive maturities are void.

**2. Policy payable on sight**

**ARTICLE 704**-(1) It is paid upon presentation of the policy issued to be paid when seen. Such a policy must be submitted for payment within one year from the day of issue. The organizer can shorten this period or set a longer period. Presentation periods may be shortened by endorsers.

(2) The issuer may stipulate that a bill payable on sight shall not be presented for payment before a certain day. In this case, the submission period starts from that date.

**3. Policy payable after a certain time of sight**

**ARTICLE 705**-(1) The maturity of a policy to be paid after a certain period of time is determined according to the date written in the acknowledgment of acceptance or the date of protest.

(2) If the date is not shown in the acknowledgment of acceptance and the protest is not withdrawn, the policy shall be deemed to have been accepted on the last day of the period stipulated for submission to the acceptance.

**II – Calculation of periods**

**1. In general**

**ARTICLE 706**-(1) The maturity of a policy issued to be paid one or a few months after the issuance day or sight becomes due on the corresponding day of the month in which the payment is to be made. If there is no corresponding day, the maturity will be on the last day of that month.

(2) If a bill is issued to be paid one and a half months, or several months, or half a month after the day of issue or sighting, the full months shall be counted first.

(3) If the beginning, middle or end of a month is shown as a maturity date, the first, fifteenth and last days of the month are understood from these.

(4) The expressions "eight days" or "fifteen days" do not mean one or two weeks, but actually a period of eight or fifteen days.

(5) The phrase "half a month" means a period of fifteen days.

**2. Clash of calendars**

**ARTICLE 707**-(1) If there is a calendar difference between the place of issuance of a policy payable on a certain day and the place of payment, the maturity shall be deemed to have been determined according to the calendar of the place of payment.

(2) If a policy drawn up between two places with different calendars is to be paid after a certain period of time, the maturity is calculated by converting the issuance day to the calendar day at the place of payment.

(3) The provisions of the first and second paragraphs are also applied in the calculation of the submission periods of the policies.

(4) If it is understood from a record in the policy or the content of the policy that the purpose is different, the provisions of this article are not applicable.

**B) Payment**

**I - Submission**

**ARTICLE 708**-(1) The holder of a policy payable on a specified day or after a specified period of issuance or sight must present the policy payable on the day of payment or within two business days following it.

(2) Presentation of the policy to a clearinghouse is a substitute for presentation for payment.

**II – Right to request receipt**

**ARTICLE 709**-(1) The addressee may request that the policy be given to him by writing a release annotation by the bearer while paying the policy.

(2) The holder may not refuse partial payment.

(3) In case of partial payment, the addressee may request that this payment be written on the policy and a receipt be given to him.

**III – Payment before and on due date**

**ARTICLE 710**-(1) The policyholder is not obliged to accept payment before maturity.

(2) The addressee, who pays before the due date, acts at his own risk.

(3) Unless there is fraud or serious fault, the person who pays the policy on due date is relieved of his debt. Although the payer is obliged to examine whether there is a regular succession between endorsements, he is not obliged to investigate the validity of the endorsers' signatures.

**IV – Payment in foreign currency**

**ARTICLE 711**-(1) If it is stipulated that the policy will be paid in a currency that is not depreciated at the place of payment, its price may be paid in the currency of that country according to its value at the maturity date. In case of delay in payment, the debtor may request that the bearer's policy price be paid by converting it to the currency of the country, according to the rate on the maturity date or the payment day.

(2) The value of non-denominated currency is determined according to the commercial customs of the place of payment. However, the issuer may require that the money payable be calculated according to a certain rate written in the policy.

(3) If the organizer has stipulated that the payment be made in a certain currency (payment in kind), the provisions of the first and second paragraphs are not applicable.

(4) If the policy price is shown in the currency of the same name in the countries where it is issued and the place of payment, but the values ​​​​are different from each other, the money in the place of payment is considered to be meant.

**V – Deposit**

**ARTICLE 712**-(1) If a policy is not presented for payment within the period stipulated in Article 708, the debtor may deposit the cost of the policy to a bank at the expense and risk of the pregnant.

**FIFTH DISCRIMINATION – Right to Apply in Cases of Refusal and Non-Payment**

**A) Right to apply**

**I - in general**

**ARTICLE 713**-(1) If the policy has not been paid at maturity, the bearer may apply to the endorsers, the issuer and other persons who are under commitment due to the policy.

(2) Bearer;

a) Acceptance is completely or partially avoided,

b) Whether he has accepted the policy or not, the drawee has just suspended his payments or any enforcement proceedings against him have failed, even if it has not been proved by a court of law or has gone bankrupt, or

c) The issuer of a policy that is prohibited from being offered for acceptance has gone bankrupt,

If it happens, it has the same right to apply before the due date.

**II – Protest**

**1. Terms and conditions**

**ARTICLE 714**-(1) Non-acceptance or non-payment must be determined by an official document called a protest against non-acceptance or non-payment.

(2) The protest of non-acceptance must be withdrawn within the time specified for submission to acceptance. If, as indicated in the first paragraph of Article 694, the first submission of the policy is made on the last day of the maturity date, the protest may also be withdrawn the day after that day.

(3) The protest for non-payment to be drawn due to a policy that includes the condition to be paid on a certain day or after a certain period of issuance or sighting, must be drawn within two business days following the payment day. The protest for non-payment due to a policy that must be paid upon sight is drawn within the timeframes indicated for the protest against non-acceptance in the second paragraph.

(4) In the event that a protest against non-acceptance has been drawn, there is no need to present the policy for payment, and there is no need to file a protest against non-payment.

(5) Whether the addressee has accepted the policy or not, if the payment has been suspended or any enforcement proceedings against him have been fruitless, the holder may exercise his right to apply only after the presentation of the policy to the addressee for payment and the withdrawal of the protest.

(6) Whether the drawee has accepted the policy or the issuer of a policy that is prohibited from being submitted for acceptance has gone bankrupt, the submission of the bankruptcy notice is sufficient for the exercise of the right to apply.

**2. Shape**

**a) Notarial arrangement**

**ARTICLE 715**- (1) The protest must be arranged by a notary public in the form and manner specified in Article 716.

**b) Contents**

**ARTICLE 716**-(1) Protest;

a) The names or trade titles of the people who protested and against whom the protest was made,

b) An annotation stating that the person to whom protest was drawn has not fulfilled his commitment, could not be found, or his place of business or residence has not been determined, although he has been invited to fulfill his commitment arising from the policy,

c) An annotation of the place and day of the said invitation or when the invitation attempt was unsuccessful, and

d) It includes the signature of the notary who organized the protest.

(2) Partial payment is indicated in the protest.

(3) If the addressee, to whom a policy has been presented for acceptance, requests that the policy be presented again the next day, this situation is also recorded in the protest.

**c) Protest document**

**ARTICLE 717**-(1) The protest is drawn up as a separate document and attached to the policy.

(2) If the protest is organized by presenting various copies of the same policy or the original and a copy of the policy, it is sufficient to bind the protest to one of these copies or the original bill.

(3) It is registered in other copies or copies that the protest is bound to one of the remaining copies or to the original of the policy.

**d) In case of partial acceptance**

**ARTICLE 718**-(1) If the acceptance is reserved for a part of the price in the policy and therefore a protest is organized, a copy of the policy is produced and the protest is written on this copy.

**e) Protest against more than one person**

**ARTICLE 719**-(1) If it is obligatory to demand the performance of an act related to the policy by more than one obligee, a single protest document is drawn up.

**3. My duty of storage**

**ARTICLE 720**-(1) The notary public who organized the protest is obliged to keep a copy of the policy together with the protest document.

**4. Cripple protest**

**ARTICLE 721**-(1) It is also valid if the protest signed by the notary public is not organized in accordance with the law or the records in it are incorrect.

(2) Disciplinary provisions regarding the notary public are reserved.

**5. Circumstances that do not require a protest**

**ARTICLE 722**-(1) The issuer, endorser or endorser may absolve the bearer of the obligation to make a protest of non-acceptance or non-payment in order to exercise his right to apply, by writing and signing the "no expense", "no protest" records or any other synonymous phrase on the promissory note.

(2) This registration does not relieve the holder from his obligations to present the policy on time and to make the necessary notices. Proof of non-compliance with the deadlines falls to the person who alleges it against the pregnant woman.

(3) If this record is written by the policy issuer, it will be valid for all those who are in debt due to the policy; If it is written by a endorser or endorser, the provision applies only to him. If the holder protests again despite the record written by the organizer, the expenses will be his own.

(4) In case the registration is made by a endorser or endorser, all those who are in debt due to the policy are liable to reimburse the expenses required by a protest that has been taken despite this registration.

**III – Obligation to notify**

**ARTICLE 723**-(1) The bearer is obliged to notify his endorser and the issuer of his/her non-acceptance or non-payment within four working days following the day of the protest or if there is a “no expense” record in the policy.

(2) Each endorser shall notify his endorser of the notice received, within two business days following the day he received them, by showing the names and addresses of the persons who made the previous notices. It is acted in this order until it reaches the organizer. The periods begin to run from the date of receipt of the previous notice.

(3) If a notice is given to a person who has signed the policy pursuant to the second paragraph, this notice must also be given to the person giving the bill within the same period.

(4) If a endorser has never written his address or has written it in a way that is impossible to read, it is sufficient to give the notice to the previous endorser.

(5) The person who will make the notification can do this through a notary public or only through the return of the policy.

(6) The person who is obliged to make the notification has to prove that he has done this within a certain period of time.

(7) The person who does not send a notification within the periods indicated in the first and second paragraphs, even if he does not lose his right to apply, will be responsible for the damage arising from his negligence. However, the indemnity liability for this loss is limited to the policy price.

**IV – Succession**

**ARTICLE 724**-(1) Persons who issue, accept, endorse or endorse a policy are liable to the pregnant counter as several and several debtors.

(2) The holder may apply to each, some or all of these, regardless of their order in borrowing.

(3) Anyone who is in debt due to the policy and has paid the policy can use the same right.

(4) By applying only to one of the bearer debtors, he does not lose his rights against other debtors and those who come after the debtor to whom he applied first.

**V – Scope of the right to apply**

**1. Right of the bearer**

**ARTICLE 725**-(1) By application of the holder;

a) The unaccepted or unpaid price of the policy and the accrued interest if stipulated,

b) Interest to accrue as of the maturity date,

c) Expenses and other expenses of the protest and the notices served by the bearer; and

d) The commission fee, not to exceed three thousandths of the policy price, may be requested.

(2) If the right to apply is exercised before maturity, a discount is made from the policy price. This discount is calculated according to the official discount rate valid in the place of residence of the holder at the date of application.

**2. Payer's right**

**ARTICLE 726**-(1) The person who has paid the policy fee is among the debtors who came before him;

a) The entire amount paid,

b) Interest on this amount from the date of payment,

c) his expenses and

d) A commission fee not exceeding two thousandths of the policy price may be requested.

**VI – Receipt**

**1. In general**

**ARTICLE 727**- (1) The debtor, to whom an application is made or possible to apply, has the right to request that the policy and protest document be given to him, together with a separately filled receipt, when he pays the amount subject to the application.

(2) Each endorser who has paid the bill can draw his own endorsement and the endorsements of the debtors that come after him.

**2. In case of partial acceptance**

**ARTICLE 728**-(1) In case the right to apply after the policy is partially accepted, the person paying the unaccepted portion of the policy price may request that the payment be written on the policy and a receipt be given to him/her in this regard. Furthermore, in order for him to exercise his rights of later recourse against others, the bearer must give him a certified copy of the bill of exchange and the protest.

**VII – Retreat**

**ARTICLE 729**-(1) Anyone who has the right to apply can apply through a new policy called "rejection", which must be paid by one of the debtors before him, and which must be paid at the place of residence of this person, unless otherwise stated in the policy.

(2) Retraction includes commission fees other than the monies shown in Articles 725 and 726.

(3) If issued by Retrethamil, the price of the policy is determined according to the current price of a policy drawn from the place where the policy is to be paid, on the place of residence of the former debtor and which must be paid when seen. If the refusal is issued by an endorser, the price of the policy is determined according to the current price of a policy drawn on the place of residence of the former debtor from the place of residence of the person who issued the refusal and which must be paid on sight.

**VIII – Loss of the right to apply**

**1. In general**

**ARTICLE 730**-(1) Bearer;

a) Presenting the policy that must be paid when seen or after a certain period of time,

b) Organizing a protest of non-acceptance or non-payment,

c) If there is a record of "refundable without expense", the policy must be submitted for payment,

lapses for a certain period of time, he loses any rights he has against endorsers, issuers and other debtors, with the exception of the acceptor.

(2) If the holder does not comply with the deadline given by the issuer for submission for acceptance, he loses his right of application due to non-acceptance and non-payment; unless it is clear from the record that the organizer wishes to exclude liability for acceptance only.

(3) If a period is stipulated in the endorsement for presentation, only the endorser can claim this period.

**2. Force majeure**

**ARTICLE 731**-(1) If the presentation of the policy or the organization of a protest within the legally determined periods could not be realized due to an insurmountable obstacle such as a state's legislation or any force majeure, the specified periods for these transactions are extended.

11139

(2) The bearer is obliged to notify the person before him of the force majeure without delay and to record this notice in the policy or on the insurance by including the date, place and signature under it. Apart from this, the provisions of Article 723 are applied.

(3) After the force majeure disappears, it is obligatory for the holder to present the policy for acceptance or payment without delay and to protest when necessary.

(4) If the force majeure lasts more than thirty days from the due date, the right to apply can be exercised without the need to present the policy and protest.

(5) The thirty-day period for the policies that have to be paid when seen or after a certain period of time runs from the date the bearer notifies his endorser of the force majeure. This notice can also be made before the expiry of the submission period. For policies that have to be paid after a certain period of time, the thirty-day period is extended by the period specified in the policy.

(6) Events pertaining to the bearer or the person who is assigned to present the policy or to protest are not considered as force majeure.

**B) Unjust enrichment**

**ARTICLE 732**– (1) Even if the obligations of the issuer or the acceptor arising from the policy are reduced due to the statute of limitations or due to the negligence of taking the necessary actions to protect the rights arising from the policy, they remain indebted to the policyholder as much as they may have enriched to his detriment.

(2) A claim arising from unjust enrichment can also be brought against the addressee, the person who will pay a domestic policy, and, if the issuer has issued the policy for the account of another person or commercial enterprise, that person or commercial enterprise.

(3) Such a claim cannot be brought against the endorser whose debt arising from the policy has been paid off.

(4) The statute of limitations is one year from the date following the statute of limitations; The burden of proof is on the person claiming that he did not become unjustly enriched.

**C) Transfer of policy provision**

**ARTICLE 733**- (1) With the filing of bankruptcy about the issuer, the right of the issuer to claim against the drawee arising from a legal relationship other than the policy relationship, regarding the return of the policy money or other money that the issuer has credited to the addressee's account, becomes the policyholder.

(2) If the issuer declares in the policy that he has transferred his rights due to the provisional relationship, these rights belong to whoever is the policyholder.

(3) After the bankruptcy is declared or the transfer situation is notified to the addressee, he/she can only make a counter payment to the pregnant woman who proves her right in return for the return of the policy.

**D) intervening**

**I – General provisions**

**ARTICLE 734**– (1) Each of the issuers and endorsers or endorsers may designate a person who will accept or pay the bill as necessary.

(2) The policy may be accepted or paid by an intervening person for any debtor to whom recourse can be made under the policy, under the following conditions.

11140

(3) Every third person including the addressee or anyone who is already indebted due to the policy, except for the person accepting the policy, can intervene and accept the policy or pay the price.

(4) The person who accepts or pays by intervening is obliged to notify the situation to the debtor in whose favor he intervened, within two working days. If he does not comply with this period, he will be liable for the damage arising from his failure to notify, provided that the policy price is not exceeded.

**II – Acceptance by intervention**

**1. Terms, status of the holder**

**ARTICLE 735**- (1) Before the maturity date, the policy may be accepted by intervening in all cases where the holder can exercise his right to apply; unless it is a policy whose presentation is prohibited for acceptance.

(2) If a person who will accept or pay the bill at the place of payment is indicated on the bill, the person who has shown that person and after that person, unless the bearer has presented the bill to that person and, in case of refusal by intervening, has made a determination not to accept it with a protest. cannot use its right to apply before the due date against incoming debtors.

(3) In other cases of intervening, the holder may refuse to accept by intervening; however, if he allows this, he cannot use his right to apply before the due date against the debtor who has accepted by intervening in favor of him and the debtors who come after him.

**2. Figure**

**ARTICLE 736**-(1) Acceptance by intervening is written on the policy and signed by the intervening party. In the declaration of acceptance, it is indicated in whose favor the intervention was made; If it is not shown, it is deemed to have been accepted in favor of the organizer.

**3. Responsibility of the intervening acceptor**

**ARTICLE 737**-(1) The person who accepts by intervening is liable to the debtors who are pregnant and to whom he intervened, just like the person who intervened in favor of him.

(2) Despite the acceptance, by intervening, the person whose favor has been accepted and the debtors preceding him may request the bearer to give the policy and, if any, a receipt, provided that they pay the amount indicated in Article 725.

**III – Payment by intervening**

**1. Terms**

**ARTICLE 738**-(1) The holder may make a payment by intervening in all cases in which he can exercise his right to apply at maturity or before maturity.

(2) By intervening, the payment covers the entire amount that the person to be paid in favor is obliged to pay.

(3) This payment must be made at the latest the day after the deadline for withdrawal of the non-payment protest.

**2. The bearer's obligation to present**

**ARTICLE 739**-(1) If the policy has been accepted by intervening persons whose settlements are located at the payment place, or if the persons whose settlements are located at the payment place are shown to make the payment, the bearer shall at the latest the day after the deadline for the withdrawal of the non-payment protest, the policy to all these persons. It is obligatory to present it and to protest if payment is avoided by intervening when necessary.

11141

(2) If the protest is not withdrawn in due time, the person who has shown the person who will pay or who has intervened and accepted a policy in his favor and the debtors who come after them are released from responsibility.

**3. Consequence of rejection**

**ARTICLE 740**- (1) The bearer, who refuses the payment made to him by intervening, loses his right to apply against the people who will get rid of the debt in case of payment.

**4. Receipt**

**ARTICLE 741**- (1) When the policy is paid by intervening, a receipt is written on the policy by showing the person for whom the payment was made. If it is not shown to whom it was paid, the payment is deemed to have been made to the issuer.

(2) The bill, if any, must be given to the person making the payment by intervening.

**5. Transfer of rights, in case of more than one intervening**

**ARTICLE 742**-(1) The person who makes the payment by intervening acquires the rights arising from the policy against the person to whom he made the payment and the persons indebted to him due to the policy. However, it cannot re-enroll the policy.

(2) Debtors who come after the person in whose favor the payment is made are released from the debt.

(3) If various offers have been made to intervene and make a payment, whichever of these offers will relieve the debtors the most, is preferred. The person who intervenes and pays, knowing that there is a better offer, loses the right to appeal against whoever would have been relieved if the best offer had been chosen.

**SECTION SIX - Policy Copies and Copies**

**A) Policy copies**

**I – Right to request**

**ARTICLE 743**- (1) The policy can be issued in more than one copy, being the same.

(2) Successive sequence numbers are placed on these copies. The numbers are written in the text. Otherwise, each of the copies is considered a separate policy.

(3) The holder of a policy, which does not contain the record that it was issued in a single copy, may request that more than one copy be given at his own expense. For this purpose, if the holder applies to his endorser, the holder's endorser and previous endorsers are obliged to apply respectively to each other and the first endorser to the issuer. Furthermore, endorsers are required to rewrite their endorsements on new copies.

**II – Relationship between copies**

**ARTICLE 744**-(1) Even if the policy does not bear the record that the payment to be made on one of the copies will invalidate the other copies, the payment made on one of the copies will nullify the rights arising from all the copies. However, the responsibility of the addressee continues for any copy that contains the acceptance record but has not been returned to him.

(2) The endorser who gave more than one copy to different persons and the debtors who came after him are responsible for all the copies that contain their own signatures and that have not been returned.

11142

**III – Annotation of acceptance**

**ARTICLE 745**- (1) The person who sends one of the copies for acceptance has to write the name of the person holding this copy on the other copies. Person holding the copy sent for acceptance; is obliged to deliver it to the authorized holder of the other copy.

(2) If the holder refrains from delivery, the right to apply, but;

a) The copy sent for acceptance is not delivered to him despite the request,

b) Acceptance or payment cannot be achieved on the other copy,

It can use the issues if it has been determined by a protest.

**B) Policy copies**

**I – Form and provisions**

**ARTICLE 746**-(1) Every policyholder has the right to issue copies of the policy.

(2) The copy must contain the original of the bill, together with the endorsements and all other records in the policy, and show where it ends.

(3) The copy can be endorsed as the original and to give rise to the same provisions, and can be subject to a contract of endorsement.

**II – Delivery of the original bill**

**ARTICLE 747**-(1) The copy must show who owns the original of the promissory note. The person holding the original of the deed is obliged to deliver it to the authorized bearer of the copy.

(2) In case of avoidance of delivery, the holder; however, if he makes it clear with a protest that the original of the promissory note has not been delivered to him despite his request, he may use his right to appeal against the endorsers of the copy and the people who give aval on the copy.

(3) If the original of the bill includes the entry "only endorsements to be written on the copy are valid from here on out" or a similar record, after the endorsement that was last written on the original before the copy was issued, then endorsements to be written on the original bill are invalid.

**SEVENTH SECTION – Miscellaneous Provisions**

**A) Changes in the text of the promissory note**

**ARTICLE 748**-(1) If a policy text is changed, the persons who signed the policy after the change will be liable according to the changed text and those who signed it before it, according to the old text.

**B) Timeout**

**I – Durations**

**ARTICLE 749**- (1) Claims arising from the policy to be brought forward against the policy acceptor become time-barred after three years from the date of maturity.

(2) Claims of the holder against the endorser shall become time-barred by one year from the date of the protest withdrawn in due time, or from the date of expiry if the promissory note states that "it will be returned without charge".

(3) Claims brought by a endorser against the organizer with other endorsers shall become time-barred after six months from the date the endorser paid the policy or the policy was brought forward through a lawsuit.

11143

**II – Interruption**

**1. Reasons**

**ARTICLE 750**– (1) Timeout; It is terminated by filing a lawsuit, filing a follow-up request, notifying the lawsuit or notifying the bankruptcy office of the receivable.

**2. Provisions**

**ARTICLE 751**-(1) The action that cuts the statute of limitations is only valid against the person it occurred against.

(2) When the statute of limitations expires, a new statute of limitations begins to run.

**C) Durations**

**1. Holidays**

**ARTICLE 752**-(1) Payment of the policy, which is due on a Sunday or another public holiday, can only be requested on the first business day following the holiday. All other transactions related to the policy, especially submission for acceptance and protest, can only be done on a working day, not on a holiday.

(2) If one of these transactions is to be made within a period whose last day coincides with Sunday or another public holiday, this period is extended until the first business day following it. Holidays in between are included in the time calculation.

**2. Calculation of the duration**

**ARTICLE 753**-(1) When calculating the periods shown in this Part of the Law or the policy, the day they start is not counted.

**3. Attribution times**

**ARTICLE 754**-(1) Legal or judicial attribution periods are not valid in policies.

**D) The place where the transactions related to the policy will be made**

**ARTICLE 755**-(1) All transactions to be made before a particular person, such as presenting the policy for acceptance or payment, making a protest, requesting a copy of the policy, must be carried out at the place of business or, if there is no such place, at the residence of that person.

(2) The place of trade or residence is carefully investigated. If there is no conclusion from the information obtained from the law enforcement or the local postal administration, there is no need to do any further research.

**E) Signatures**

**ARTICLE 756**-(1) Statements on the policy must be signed by hand.

(2) Any mechanical device, a hand-made or approved sign or an official certificate cannot be used in place of a handwritten signature.

**F) Cancel**

**I – Preventive measures**

**ARTICLE 757**-(1) A person who has withdrawn the policy against his will may request that the addressee be barred from paying the policy from the commercial court of first instance in the place of residence of the holder.

(2) In its decision preventing payment, the court allows the addressee to deposit the policy price upon maturity and indicates the place of deposit.

11144

**II – Knowing the person who took the policy**

**ARTICLE 758**-(1) If the person who received the policy is known, the court will give the petitioner an appropriate period to file a return action.

(2) If the petitioner does not file the case within the given time, the court will lift the payment prohibition against the addressee.

**III – Not knowing who took the policy**

**1. Obligations of the petitioner**

**ARTICLE 759**-(1) If the person holding the policy is unknown, it may be requested to cancel the policy.

(2) The person requesting annulment is obliged to provide the court with evidence convincingly showing that he was lost while the policy was in hand, and to present a copy of the bill or to provide information about the main content of the bill.

**2. Warning**

**a) Content**

**ARTICLE 760**-(1) If the court finds credible the explanations given by the petitioner about the loss while the policy is in his possession, it will invite the person who has the policy to bring the policy within a certain period of time, with an announcement to be made, and warn that it will decide to cancel the policy otherwise.

**b) Durations**

**ARTICLE 761**-(1) The period of bringing the policy is at least three months and at most one year.

(2) If the statute of limitations occurs before the expiration of three months, the court is not bound by the three-month period.

(3) The period runs from the first announcement day for policies that are due, and from the due date for policies that are not due.

**c) Announcement**

**ARTICLE 762**-(1) Announcement regarding the issuance of the policy is made three times in the newspaper written in Article 35.

(2) In special cases, the court may apply to other announcement measures that it deems appropriate.

**IV – Return case**

**ARTICLE 763**-(1) If the lost policy is presented to the court, the court will give the petitioner an appropriate period to file a return action. If the petitioner does not file a lawsuit within this period, the court returns the policy to the one who has submitted it and lifts the payment prohibition against the addressee.

**V – Cancellation decision**

**ARTICLE 764**-(1) If the lost policy is not presented to the court within the given time, it is decided to cancel it.

(2) Despite the decision to cancel the policy, the petitioner may claim the right of claim arising from the policy against the acceptor.

**VI – Guarantee**

**ARTICLE 765**-(1) Before deciding on cancellation, the court may impose an obligation on the acceptor to deposit the policy price and pay it in return for sufficient security.

(2) The guarantee constitutes a compensation for the loss that may be incurred by the person who acquires the policy in good faith. If the deed is canceled or the rights arising from the deed are lost for any other reason, the security is taken back.

11145

**EIGHTH SECTION – Conflict of Laws**

**a) Driver's license**

**ARTICLE 766**-(1) The qualification required for a person to borrow under a policy is determined by the law of the state to which he is subject. If this law refers to the law of another country, that law is applied.

(2) If a person who is not competent under the law stipulated in the first paragraph has signed in a country that considers him competent in terms of law, he will be indebted as valid there.

**B) Forms and durations**

**I - in general**

**ARTICLE 767**-(1) The form of borrowings made with the policy is subject to the law of the country where these borrowings are signed.

(2) Although a borrowing for a policy is not valid in form in accordance with the law of the country in which it was made, if a subsequent borrowing for the same policy is valid under the law of the country in which it was made, the invalidity of the first borrowing does not affect the validity of the next borrowing.

(3) The borrowing of a Turk by policy in a foreign country is valid against another Turk in Turkey, provided that it is in accordance with the Turkish law.

**II – Transactions regarding the use and protection of rights**

**MATTER** **768**-(1) The form of the protest and the form of other actions necessary for the exercise or protection of the rights arising from the policy, within the specified periods for the protest, are determined by the law of the country where the protest should be withdrawn or the action should be taken.

**III – Right to apply**

**ARTICLE 769**-(1) The periods to be complied with in order to exercise the right of recourse shall be determined by the law applicable to all policy borrowers in the place where the policy is issued.

**C) Provisions of borrowings**

**I - in general**

**ARTICLE 770**-(1) The consequences arising from the debts of the person accepting a policy are determined according to the law of the place of payment.

(2) The consequences arising from the debts of other debtors in the promissory note are subject to the law of the country in which these debts were signed.

**II – Partial acceptance and payment**

**ARTICLE 771**-(1) Whether the acceptance will be allocated to a part of the price in the policy and whether the holder is obliged to accept partial payment is subject to the law at the place of payment.

**III - Payment**

**ARTICLE 772**-(1) Payment on due date, especially the calculation of the due date and payment date, the payment of policies whose prices are shown in foreign currency, are determined according to the law of the country in which the policy is to be paid.

**IV – Rights arising from unjust enrichment**

**MATTER** **773**- (1) Claims arising from unjust enrichment against the addressee, the third person who will pay the local policy, and the person or commercial enterprise for which the issuer has drawn the policy, shall be determined according to the law of the country where these persons domiciled.

**V – Reciprocal getting pregnant**

**ARTICLE 774**-(1) The law of the place where the deed is issued determines whether a policyholder will acquire the receivable that caused the issuance of the deed.

**VI – Cancellation decision**

**ARTICLE 775**-(1) The measures to be taken in case of loss or theft of the policy shall be determined by the law in the place of payment.

SECTION TWO – Bills or Promissory Notes

**A) Elements**

**ARTICLE 776**-(1) Promissory note or promissory note;

a) The word “bono” or “deed written to order” in the text of the promissory note, and if the promissory note is written in a language other than Turkish, the word used in that language as the equivalent of a promissory note or promissory note,

b) An unconditional and unconditional promise to pay a certain price,

c) Maturity,

d) Place of payment,

e) To whom or to whose order it will be paid, his name,

f) The date and place of issue,

g) The signature of the organizer,

It contains.

**B) Absence of elements**

**MATTER** **777**-(1) A promissory note that does not contain one of the elements specified in Article 776, without prejudice to the situations written in the second to fourth paragraphs, is not considered a bond.

(2) A bond whose maturity has not been shown is considered a bond that must be paid when seen.

(3) If there is no clarity, the place where the bill is issued is considered the place of payment as well as the place of residence of the issuer.

(4) A bill whose place of issue is not shown is deemed to have been issued in the place written next to the issuer's name.

**C) Provisions to be applied**

**ARTICLE 778**-(1) Unless it contradicts the nature of the bill;

a) 681 to 690 regarding the turnover of the policies,

b) 703 to 707 regarding maturity,

c) 708 to 712 on payment,

d) 713 to 727 and 729 to 732 regarding the right to apply in case of non-payment,

e) 734, 738 to 742 regarding payment by intervention,

f) 746 and 747 on copies,

g) 748 on replacement,

h) 749 to 751, on statute of limitations

ı) 757 to 765 regarding cancellation,

11147

i) 752 to 756 on holidays, calculation of periods, prohibition on attribution periods, place where the transactions regarding the policy should be made and signature,

j) 766 to 775 on the conflict of laws,

The provisions of these articles also apply to bonds.

(2) Also;

a) Articles 674 and 697 regarding the policy that must be paid in a place other than the settlement of a third person or the settlement of the addressee,

b) 675th of the interest condition,

c) Article 676 on various declarations regarding the price to be paid,

d) Article 677 on the consequences of an invalid signature,

e) Articles 678 and 679 regarding the signature of an unauthorized or over-authorized person,

f) 680 pearls regarding the open policy,

The provisions of the article also apply to bonds.

(3) Articles 700 to 702 pertaining to avale also apply to bonds.

(4) As stipulated in the fourth paragraph of Article 701, if the bill does not show to whom the bill was given, it is deemed to have been given to the person who issued the bill.

**D) The responsibility of the organizer**

**ARTICLE 779**-(1) The issuer of a bond is liable just as the acceptor of a bill of exchange.

(2) Bills that have to be paid after a certain period of time must be submitted to the issuer within the periods specified in Article 693.

(3) The issuer verifies that the bill has been presented to him by pointing and signing the presentation day on the bill. The period starts to run from the date of submission registration. Organizer; If he refrains from confirming that the bond has been presented to him by pointing to his day, this is determined by a protest. In this case, the time starts to run from the day of the protest.

11148

CHAPTER THREE - Check

**FIRST SECTION – Issuance and Form of Checks**

**A) Shape**

**1 – Elements**

**ARTICLE 780**-(1) Check;

a) The word "check" in the text of the promissory note and if the bill is written in a language other than Turkish, the word used as a "check" in that language,

b) Remittance for the payment of a certain amount, unconditionally and unconditionally,

c) The trade name of the payee, the "interlocutor",

d) Place of payment,

e) The date and place of issue,

f) The signature of the organizer,

g)**(Ek: 15/7/2016-6728/70 md.)**Serial number given by the bank,

h) **(Ek: 15/7/2016-6728/70 md.)**data matrix,

It contains.

(2)  **(Additional clause: 15/7 / 2016-6728 / 70 art.)**Check creditors can access the check they hold, the check account holder and the data regarding the issuers of this check via QR code. With QR code;

a) Name, surname or trade name of the checking account holder,

b) In case the check account holder is a merchant, the name, surname or trade name of the authorized persons registered in the trade registry,

c) The total number of banks with which the checking account holder has a checking account,

d) The number and amount of checks that have not been presented to the banks of the check account holder,

e) Number and amount of checks issued and delivered to banks,

f) Number and amount of checks paid on presentation within the last five years,

g) The date of presentation of the first check presented,

h) The date of submission of the last check submitted,

ı) The submission date of the last check paid on its presentation,

i) The number and amounts of unpaid checks that have been “bounced” in the last five years,

j) The number and amount of checks that have been “bareless” in the last five years and paid later,

k) The submission date of the last check that has been treated as "non-returned" in the last five years,

l) Whether there is a ban on opening a checking account against the checking account holder, and if so, the date of the ban decision,

m) Whether there is an injunction record for each check sheet,

n) If the checking account holder is a merchant, whether the bankruptcy decision has been made, if the bankruptcy has been decided, the date of the decision,

It is made available to third parties without seeking the consent of the checking account holder or endorser.

11148-1

(3) **(Additional clause: 15/7 / 2016-6728 / 70 art.)**The data matrix scanning and information sharing system that will enable access to the data specified in the second paragraph is established by the Risk Center of the Banks Association of Turkey, which was established in accordance with the additional article 5411 of the Law No. 1. The Risk Center is authorized to share the data in the system with the company with which it has exchanged information in accordance with the eleventh paragraph of the additional article 5411 of the Law No. 1. If this authority is used, the system can be set up at the company where the information is shared.

(4)  **(Additional clause: 15/7 / 2016-6728 / 70 art.)**The definition and contents of the MERSIS number and data matrix to be included in the check, as well as the procedures and principles regarding the implementation of this article are determined by a communiqué to be jointly issued by the Ministry of Customs and Trade and the Undersecretariat of Treasury.

**II – Absence of elements**

**ARTICLE 781**-(1) A promissory note that does not contain one of the elements listed in Article 780 shall not be considered a check, except for the cases written in the second, third and fourth paragraphs. (1)

(2) If the check is not clear, the place shown next to the trade name of the drawee is considered the place of payment. If more than one place is shown next to the trade name of the addressee, the check is paid at the first indicated place. If there is no such clear and other record, the check is paid at the place of the addressee's headquarters.

(3) A check whose place of issue is not shown is deemed to have been drawn up at the place written next to the issuer's name.

(4) **(Annex: 15/7 / 2016-6728 / 71 art.)**In the checks printed by a foreign bank, the serial number given by the bank specified in subparagraph (g) of the first paragraph of Article 780 and/or the absence of the data matrix specified in subparagraph (h) does not affect the validity of the bill as a check.

**B) Individual elements**

**I – Addressee**

**1. Liability to be the addressee**

**ARTICLE 782**-(1) For checks payable in Turkey, only a bank can be the drawee.

(2) A check drawn on another person is only a money order.

**2. Reciprocity**

**ARTICLE 783**-(1) In order for a check to be drawn up, the drawee must have a reserve allocated to the order of the issuer and there must be an express or implied agreement between the drawee and the issuer that the issuer will have the right to dispose of this check by issuing a check. However, if these provisions are not complied with, the validity of the bill as a check will not be affected.

(2) If the issuer has only a portion of the check available to the drawee, the drawee is obliged to pay this amount.

(3) The person who draws up a check for which the counter is partially or wholly unavailable to the drawee shall not only be liable to pay ten percent of the dishonored value of the check, but also indemnify the bearer for the loss incurred due to this.

**II – Prohibition of admission**

**ARTICLE 784**-(1) Acceptance cannot be made about the check. An acceptance record written on a check is considered unwritten.

**III – In whose favor it can be drawn**

**ARTICLE 785**-(1)Check;

a) To a specific person, with or without the “written to Emre” record,

b) To a certain person, with the condition that "the order is not written" or a similar record,

c) Orpregnant,

can be withdrawn for payment.

(2) A check drawn with the addition of the words "or bearer" in favor of a particular person or any other similar phrase is considered a bearer check.

(3) A check that has not been shown in favor of which it was drawn is considered a bearer check.

**IV – Interest condition**

**ARTICLE 786**-(1) Any interest requirement stipulated in the check is deemed not written.

**V – Addressed and local check**

**ARTICLE 787**-(1) The check may be drawn up to be paid by a third party at the addressee's place of residence or elsewhere. However, this third party must be a bank.

11149

**SECOND SECTION – Transfer**

**A) Transferability**

**ARTICLE 788**-(1) A check, which is stipulated to be paid in favor of a particular person, with or without expressly “in writing to order”, may be transferred by endorsement and passing possession.

(2) A check that is stipulated to be paid in favor of a particular person with the condition that it is not written to the order or a similar record can only be transferred by the assignment of the receivable. This transfer creates the legal consequences of the assignment of the receivable.

(3) The endorsement can also be made in favor of any of the issuers or the debtors due to the check. These persons may re-endorsement the check.

**B) Turnover**

**I - in general**

**ARTICLE 789**-(1) Turnover must be unconditional and unconditional. If the turnover is subject to conditions, they are considered unwritten.

(2) Partial endorsement and endorsement of the addressee are void.

(3) A bearer endorsement is considered a white endorsement.

(4) The endorsement in favor of the addressee is only a receipt; unless the addressee has more than one branch, the endorsement is written on a branch other than the addressee branch.

**II – Duty of proving right ownership**

**ARTICLE 790**- (1) The person holding a check with a turnover is deemed to be the authorized bearer, even if the final endorsement is a white endorsement, provided that his/her right is understood from several and interconnected endorsements. Drawn endorsements are considered unwritten. If a white endorsement is followed by another endorsement, the person who signed this last endorsement is deemed to have acquired the check with a white endorsement.

**III – endorsement on bearer check**

**ARTICLE 791**-(1) Even if the endorsement made on a bearer check renders the endorser responsible in accordance with the provisions regarding the right to appeal, it does not change the quality of the deed and turn it into a written check.

**C) Check out of hand**

**ARTICLE 792**- (1) If the check is found to be out of the hands of the holder for any reason, whether it is a written or transferable check, whether the bearer proves his right according to Article 790, the new holder who has received the check has only acquired the check in bad faith or if he has acquired it. If he has a serious fault, he is obliged to return that check.

**D) Turnover after protest and expiration of the submission deadline**

**ARTICLE 793**-(1) An endorsement made after the protest has been organized or a determination of the same nature or the expiry of the submission period will only have the consequences of the assignment of the receivable.

(2) It is presumed that an undated endorsement was made before a protest or determination of the same nature or the expiry of the submission period, until proven otherwise.

11150

**THIRD SECTION – Payment and Non-Payment**

**A) Payment**

**I - Availability**

**ARTICLE 794**-(1) Payment of the amount written on the check may be partially or fully secured by bill of exchange.

(2) This guarantee may also be given by a third party, excluding the addressee, or by a person who has signed the check.

**II – Due date**

**ARTICLE 795**-(1) Payable when the check is seen. Any record contrary to this is deemed unwritten.

(2) A check presented for payment before the day indicated as the issuance day is payable on the day of presentation.

**III – Presentation for payment**

**1. In general**

**ARTICLE 796**-(1) Ten days if a check is payable at the place of issue; If it is to be paid in a place other than where it is issued, it must be submitted to the addressee within one month.

(2) A check issued in a country other than the one to be paid must be presented to the drawee within one month if the place of issue and the place of payment are in the same continent, and within three months if they are in separate continents. In this regard, checks drawn up in a European country and payable in a country with a coast to the Mediterranean, as well as checks drawn up in a country with a Mediterranean coast and paid in a European country, are deemed to be drawn up and paid in the same continent.

(3) The periods written in the first and second paragraphs start the day after the issuance date written on the check.

**2. Calendar difference**

**ARTICLE 797**-(1) If the check is drawn between two places with different calendars; issuance day is converted to the corresponding day of the calendar at the place of payment.

**3. Clearinghouse**

**ARTICLE 798**-(1) Presentation of the check to a clearinghouse serves as presentation for payment.

**IV – Withdrawal from check**

**1. In general**

**ARTICLE 799**-(1) Withdrawal from the check becomes effective only after the submission period has passed.

(2) If the check has not been withdrawn, the drawee may still pay the check after the presentation period has elapsed.

**2. Special circumstances**

**ARTICLE 800**- (1) After the check is put into circulation, the death of the issuer, his loss of ability to exercise his civil rights or bankruptcy shall not affect the validity of the check.

**V – Examining the turnovers**

**ARTICLE 801**-(1) Although the addressee who will pay a check with a turnover is obliged to examine whether there is a regular succession between endorsements, he is not obliged to investigate the validity of the endorsers' signatures.

11151

**VI – Check payable in foreign currency**

**ARTICLE 802**-(1) If the check is required to be paid in a currency that is not current at the place of payment, its value may be paid in the currency of that country, according to the value of the check on the date of presentation. If it is not paid despite the presentation, the bearer may request that the check amount be paid in the country currency according to the current value on the payment days, if he/she wishes.

(2) The value of foreign currency is determined according to the commercial practices of the place of payment. However, the issuer may require that the amount payable be calculated according to a certain exchange rate written on the check.

(3) If the organizer has stipulated that the payment be made in a certain currency (payment in kind), the provisions of the first and second paragraphs are not applicable.

(4) The money at the place of payment is deemed to be meant if the check value is shown in currency of the same name in the countries of issue and payment, but with different values.

**VII – Striped check**

**1. Form and terms**

**ARTICLE 803**- (1) The issuer or holder of a check may draw it to produce the results shown in Article 804.

(2) The drawing of the check is done by drawing two parallel lines on the front of the check. The check can be drawn in general or privately.

(3) If no phrase is placed between the two lines or the word "bank" or a similar phrase is placed, the check is generally drawn.

(4) If the trade name of a certain bank is written between the two lines, it means that the check is specially drawn.

(5) Public line can be converted to private line; private line cannot be converted to public line.

(6) Deletion of the lines or the trade name of the mentioned bank shall be deemed null and void.

**2. Provisions**

**ARTICLE 804**-(1) A check drawn in general can only be paid by the drawee to a bank or a customer of the drawee.

(2) A specially drawn check can only be paid by the drawee to the bank whose trade name is shown, or to its customer if this bank is the addressee. The bank whose trade name is shown may leave the collection of the fee to another bank.

(3) A bank may acquire a lined check only from its customers or from another bank. Likewise, it cannot collect it from the aforementioned persons on behalf of others.

(4) If the check has been drawn more than once, it is essential that the check has not been drawn more than twice in order for the drawee to pay the check, and one of the lines must be drawn for the check to be collected by a clearing house.

(5) The addressee or bank that violates the first to fourth paragraphs shall be liable for the resulting damage, provided that it does not exceed the check value.

**VIII – Check issued for account**

**1. In general**

**ARTICLE 805**-(1) The issuer or the bearer of a check may prevent the check from being paid in cash by writing the phrase “to be accounted for” or a similar phrase on the front of the check. In this case, the check can only be paid by the addressee by crediting the account, clearing and transferring the account. These records serve as payment.

11152

(2) It is invalid to draw the record “to be taken into account”.

(3) The addressee, who violates the first and second paragraphs, is liable for the damage, not exceeding the cost of the check.

**2. Rights of the bearer**

**a) In case of bankruptcy**

**ARTICLE 806**-(1) The holder of a check drawn up to be put into account may request payment of the check value in cash from the addressee, or may also use the right to apply in case of non-payment, if the drawee has gone bankrupt or has suspended their payments even if it has not been proven with a verdict, or if any enforcement proceedings against them are fruitless.

**b) In case of not being taken into account**

**ARTICLE 807**- (1) the holder of a check drawn up for account; If he proves that the drawee avoided counting the check as an unconditional credit or that the clearinghouse at the place of payment has declared that this check is not capable of being set off against the debts of the bearer, he may exercise his right to apply.

**B) Non-Payment**

**I – The rights of the holder to apply**

**ARTICLE 808**-(1) If the check presented on time is not paid and it is not paid;

a) With an official document, "protest",

b) With a dated statement written on the check by the drawee, including the date of presentation,

c) With a dated statement by a clearing house that the check was delivered on time but was not paid,

bearer if found fixed; endorsers may exercise their right of recourse against the issuer and other check borrowers.

**II – Protest**

**ARTICLE 809**-(1) The protest or equivalent determination must be made before the expiry of the submission period.

(2) If the presentation is made on the last day of the period, the protest or equivalent determination may also be made on the following business day.

**III – Scope of the right to apply**

**ARTICLE 810**-(1) Bearer, by application;

a) The unpaid amount of the check,

b) Interest on this amount from the date of presentation,

c) Expenses and other expenses of the protest or equivalent determination and notifications sent; and

d) Commission fee, not to exceed three thousandths of the check value,

You may ask.

**IV – Force majeure**

**ARTICLE 811**-(1) If the submission of the check or the protest or the making of an equivalent determination within the legally determined periods could not be realized due to an insurmountable obstacle such as the legislation of a state or any force majeure, the specified periods for these transactions shall be extended.

11153

(2) The bearer is obliged to notify the force majeure without delay to his endorser, to record this notice on a check or alonja, and to sign it by writing the place and date below it. The provisions of Article 723 are also applied here.

(3) After the force majeure disappears, the bearer must present the check for payment without delay and have a protest or an equivalent determination made when necessary.

(4) If the force majeure continues for more than fifteen days from the day the bearer notifies the debtor who preceded it, provided that it is before the expiry of the presentation period, the right to apply can be exercised without the need for the submission of the check, the withdrawal of the protest or an equivalent determination.

(5) The facts relating only to the bearer or the person assigned to present the check, to protest or to make a determination of the same nature are not considered force majeure.

**FOURTH SECTION – Miscellaneous Provisions**

**A) Forged or falsified check**

**ARTICLE 812**- (1) The loss arising from the payment of a forged or falsified check shall be borne by the drawee; unless it is possible to blame the person who is shown as the issuer of the bill, such as not keeping the checkbook given to him well.

**B) Issuing the check in more than one copy**

**ARTICLE 813**-(1) Except for bearer checks; Every check drawn up in one country and payable in another country or an overseas part of the same country, and on the contrary, drawn up in an overseas part of a country and payable in that country, or drawn up and payable in the same overseas part or various parts of the same country, is the same may be arranged in several copies. These copies are shown with the sequence numbers that occur in the text of the promissory note. Otherwise, each copy will be counted as a separate check.

**C) Timeout**

**ARTICLE 814**-(1) The holder's right of recourse against the endorser, the issuer and other check debtors becomes time-barred three years after the expiry of the submission period.

(2) The right of recourse by one of the check debtors against the other shall be time-barred three years from the date on which the check debtor pays the check or the check is brought forward through a lawsuit.

**D) Definition of the bank**

**ARTICLE 815**– (1) The purpose of “bank” in this Section is institutions subject to the Banking Law. However, for checks whose place of payment is outside of Turkey, which institutions are to be understood by the term "bank" are determined according to the law of the place of payment.

**E) Durations**

**I – Holidays**

**ARTICLE 816**-(1) Presentation and protest of a check can only be made in one working day.

(2) If the last day of the legal period for the transactions related to the check, and in particular the presentation and protest or determination of its equivalent, coincides with a Sunday or another holiday, this period extends to cover the first business day following it. Holidays in between are included in the time calculation.

**II – Calculation of periods**

**ARTICLE 817**-(1) When calculating the periods shown in this Part of the Law, the day they start is not counted.

**F) Provisions to be applied**

**ARTICLE 818**-(1) The following provisions of the policy also apply to the check:

a) Article 673 on the policies issued by the issuer at his own behest, on himself and on behalf of a third party.

b) Article 676 regarding the differences between the prices shown in the policy.

c) Articles 677 to 680 pertaining to the signature of persons incapable of borrowing, unauthorized signature, responsibility of the issuer and open policy.

d) Articles 683 to 685 on turnover.

e) Article 687 regarding the statements of the policy.

f) Article 688 on the rights arising from the endorsement made by proxy.

g) Articles 701 and 702 on the form and provisions of the sale.

h) Article 709 on the right to request a receipt and partial payment.

i) Articles 715 to 717 and 719 to 721 of the protest.

i) Article 722 on the “No Protest” registration.

j) Article 723 on notification.

k) Article 724 on the joint liability of policy debtors.

l) Articles 726 and 727 on the right to apply if the policy is paid, and the right to request that the policy, protest and receipt be given to him.

m) Article 732 on the rights arising from unjust enrichment.

n) Article 733 on the transfer of policy provisions.

o) Article 744 regarding the relationship between policy copies.

ö) Article 748 on amendments.

p) Articles 750 and 751 regarding the termination of the statute of limitations.

r) Articles 754 to 756 regarding the attribution periods cannot be accepted, the place where the policy-related transactions should be made and the manual signature.

s) Articles 757 to 763 on cancellation and the first paragraph of Article 764.

ş) Articles 766, 768 and 769 on legal conflicts regarding the protection of rights regarding license, policies and bonds and the necessary procedures for exercising the right to apply.

(2) In the application of the first and third paragraphs of article 722, the first paragraph of article 723 and the provisions of article 727 to checks, it is also valid to make a determination in accordance with subparagraphs (b) and (c) of the first paragraph of article 808 at the place of protest.

**FIFTH DISCRIMINATION – Conflict of Laws**

**A) Liability to be the addressee**

**ARTICLE 819**-(1) The law of the country to which the check is to be paid determines who can draw up a check. According to this law, if the check is deemed invalid for the person of the drawee, debts arising from the signatures on the check are valid in countries where the law does not provide for such a reason to be invalid.

11155

**B) Forms and durations**

**ARTICLE 820**-(1) The form of the debts of the check is determined according to the law of the country where these debts are signed. However, it is sufficient to comply with the form prescribed by the law of the place of payment.

(2) The second and third paragraphs of Article 767 are also applied.

**C) Provisions of borrowings**

**I – Place of issuance law**

**ARTICLE 821**-(1) The results of the borrowings arising from the check are determined according to the law of the country where these borrowings are made.

**II – Payment place law**

**ARTICLE 822**-(1) The following matters are determined by the law of the country where the check will be paid:

a) Whether the check must be paid on sight or whether it can be issued on the condition that it is paid after a certain period of time, and what kind of consequences would be had if the check was written a day after the actual issuance day.

b) The submission period.

c) Pull; whether it will be accepted, confirmed, approved or visaed, and what consequences will these records entail.

d) Whether the holder is willing to pay in part and whether he is obliged to accept such a payment.

e) Whether the check can be drawn or whether it will contain the entry "to be accounted for" or an expression equal to it, and what consequences this line or this entry or an equivalent phrase will have.

f) Whether the holder has special rights over the check and what is the nature of these rights.

g) Whether the issuer can withdraw the check or object to the payment of the check.

h) Measures to be taken in case the check is lost or stolen.

i) Whether a protest or equivalent determination is necessary to protect the rights of recourse against endorsers, issuers and other check borrowers.

**III – Domicile law**

**ARTICLE 823**-(1) Claims arising from unjust enrichment against the addressee and the third person who will pay the settlement local cheque shall be determined according to the law of the country where these persons domiciled.

PART FIVE – Bills Similar to Bills of Exchange and Other Ordered Bills

**A) Promissory note**

**I – Definition**

**ARTICLE 824**-(1) Negotiable instruments written to the order or considered as such by law are among the promissory notes.

**II – Defendants of the debtor**

**ARTICLE 825**-(1) The debtor can claim defenses against the debt arising from a promissory note, which he has personally, against the creditor, only with defenses regarding the invalidity of the deed or as understood from the text of the promissory note.

11156

(2) It is permissible to assert defenses based on direct relations between the debtor and one of the previous holders or the person who issued the note, only if the holder knowingly acted to the detriment of the debtor while acquiring the note.

**B) Bills similar to bills of exchange**

**I – Remittances written to Emre**

**1. In general**

**ARTICLE 826**-(1) Although not shown as a policy in the text of the promissory note, remittances that are clearly arranged in a written order and that contain the elements sought in the policy in other matters are in the form of a policy.

**2. No obligation to accept**

**ARTICLE 827**-(1) Remittance written to the order cannot be submitted for acceptance.

(2) However, if it is submitted and acceptance is avoided, the holder has no right to apply for this reason.

**3. Provisions of acceptance**

**ARTICLE 828**-(1) The voluntary acceptance of a transfer written to the order by the transferee is the acceptance of the policy. However, the holder cannot exercise his right to apply before the due date if the transferee is bankrupt or has suspended his payments or the proceedings against him have been fruitless, even if it has not been proven by a judgment.

(2) Likewise, in case of bankruptcy of the transferor, the holder cannot use his right to apply before the maturity date.

**4. Provisions not applicable in execution**

**ARTICLE 829**-(1) Provisions of the Enforcement and Bankruptcy Law regarding the follow-up of checks, policies and promissory notes cannot be applied to promissory remittance.

**II – Promises of payment written to order**

**ARTICLE 830**– (1) Payment promises, which are not shown as bills in the text of the promissory note, but are clearly arranged in writing and include other elements sought in the bill, are like bills. However, the provisions regarding payment by intervening do not apply to the payment promises made in writing.

(2) Provisions of the Enforcement and Bankruptcy Law regarding the follow-up of checks, bills of exchange and promissory notes do not apply to payment promises made in writing.

**C) Other promissory notes**

**ARTICLE 831**- (1) The bills in which the signatory is obliged to make certain cash payments in terms of place, time and amount and to deliver a certain amount of doubles may be transferred by endorsement if they are expressly written to the order.

(2) Regarding these promissory notes and bills of lading, warrants and bills of lading which can be endorsed, the provisions regarding policies are valid in terms of the form of endorsement, the holder's right of ownership and the obligation of the holder to return it. Regarding cancellation, the provisions regarding the policies are applied to the promissory notes other than warrants and receipts.

(3) Provisions regarding the application in bills of exchange are not applicable to bills written in the first paragraph, unless there is an explicit provision in the law.

11157

SECTION SIX – Receipt and Warrant

**A) Public stores**

**I - in general**

**ARTICLE 832**-(1) Stores established in order to accept free or non-customed goods and grains in return for issuing receipts and warrants in accordance with the custody agreement and to give the depositors the opportunity to sell or pledge the goods and grains deposited with these promissory notes are called "public stores". Public stores transactions are subject to the provisions of this Section.

(2) Public stores are established with the permission of the Ministry of Customs and Trade.

(3) The establishment procedures and principles of the public stores, the types of goods and grains to be accepted into them, the conditions required for the public stores to be deemed authorized to accept the goods that have not yet been customs cleared, and the customs inspection special law.

**II – Exceptions**

**ARTICLE 833**-(1) The provisions of public stores shall not be valid for other institutions and places opened to accept only goods and grains with a storage contract, without issuing the documents written in Article 832. In this regard, the provisions of the Turkish Code of Obligations on custody contracts are applied.

(2) Promissory notes given in exchange for deposited things but not complying with the form requirements of the law, and bills issued by institutions that comply with these form requirements but have not received permission, are not negotiable papers, but have the force of receipts or proofs of proof.

**B) Receipt and warrant**

**I - Figure**

**1. Receipt**

**ARTICLE 834**-(1) The receipt issued in return for the goods and grains delivered to the public stores must contain the following records:

a) Name, occupation, place of residence of the depositor.

b) Trade name and center of the public store where the deposit is made.

c) Matters that need to be explained in order to know the type and quantity, quality and value of the deposited goods.

d) Whether the duties, fees and taxes to which the deposited goods are subject are paid and insured.

e) Fees, expenses paid or payable.

f) A statement indicating whose name or order the bill will be drawn up.

g) Signature of the general store owner.

**2. Warrant**

**ARTICLE 835**-(1) The warrant must also contain the same records written in Article 834 and must be attached to the receipt.

**3. Notebook**

**ARTICLE 836**-(1) The document consisting of the receipt and warrant must be taken from a counter-deposit book and the book must be kept among the documents belonging to the general store.

**4. Partial deed**

**ARTICLE 837**- (1) The bearer of the receipt and warrant may, at his own expense, request that the previously deposited goods be divided into parts and that a separate promissory note be issued for each part. In this case, the old bill is returned and canceled.

**II – Turnover**

**1. In general**

**ARTICLE 838**-(1) Even if the warrant with the receipt is not written to the order, it can be transferred separately or together by delivery and endorsement. The turnover also carries the date of the day it was made.

(2) Warrant and receipt can be transferred together with a white endorsement. Such endorsement transfers the rights of the endorser to the pregnant, if both promissory notes are delivered.

**2. Provisions**

**ARTICLE 839**-(1) Provided that the deed is delivered, the endorsement creates the following provisions:

a) The joint endorsement of the receipt and warrant transfers the ownership of the deposited goods.

b) Only the endorsement of the warrant gives the person to whom the warrant is transferred the right of pledge on the deposited goods.

c) Only the endorsement of the receipt transfers the ownership of the deposited goods, without prejudice to the rights of the warrantee.

**3. Turnover of the warrant**

**ARTICLE 840**-(1) The initial endorsement of the warrant includes the interest rate and maturity, whichever debt was made to be secured.

(2) The records written in the endorsement of the warrant are written on the receipt and signed by the person to whom the warrant has been endorsed.

**C) savings on goods**

**I – Actions that cannot be performed**

**ARTICLE 841**-(1) Except for the disputes arising from the loss of the warrant and the receipt, inheritance or bankruptcy, liens, seizures or pledges cannot be made on the things deposited in the public stores.

**II – Recovery of goods**

**1. In general**

**ARTICLE 842**- (1) The holder of a receipt issued by a warrant may withdraw the goods before the due date by depositing the principal of the debt secured by the warrant and the interest up to the maturity date in the public store.

(2) The deposited money is paid to the bearer in return for the return of the warrant.

**2. Partial rollback**

**ARTICLE 843**-(1) If the bearer of the voucher separated from the warrant wishes to withdraw a portion of the same goods deposited in the general store, under the responsibility of the store, he must deposit an amount of money proportional to both the part to be drawn and the debt secured by the warrant to the public store.

**III – Right to sell**

**1. Terms**

**ARTICLE 844**-(1) The unpaid warrant holder, like the policyholder, may sell the goods deposited pursuant to the pledge provisions ten days after protesting.

(2) The conditions written in Article 841 do not prevent sales.

**2. Sales price**

**ARTICLE 845**-(1) Expenses incurred by the general store for goods deposited with customs duties and other duties, duties and taxes, and the store's fee are paid primarily from the sales price.

(2) After the money written in the first paragraph and the secured debt are paid, the balance is given to the store owner to be paid to the receipt holder.

**3. Right to apply**

**ARTICLE 846**- (1) A warrant holder has the right to apply for the goods of the debtor or endorsers only if the goods he has sold are not sufficient for his receivables.

(2) Even if the warrant holder, who has not protested or has not attempted to sell the goods deposited within the legal period, loses all his rights against his endorsers, his right to appeal against the debtor remains valid.

**4. Insurance**

**ARTICLE 847**-(1) The holder of the warrant collects his receivable from the insurance amount in case of loss or damage of the insured property.

**D) Timeout**

**ARTICLE 848**-(1) Claims arising from receipts and warrants are subject to the statute of limitations on policies. The beginning of the statute of limitations for applying against endorsers is the day of sale of the goods.

**E) Loss of bills**

**ARTICLE 849**- (1) The bearer, who lost the receipt or warrant, may obtain a second copy, after the announcement of the situation in the newspapers of that place indicated in the decision and the expiration of the period to be given for objection, upon the permission of the court in the place where the store is located, by proving that he is the owner of these notes and by giving a guarantee. If the lost warrant has expired, the court may likewise allow the debt to be paid at the request of the holder. If the permit is related to the store and the warrant, it is notified to both the store and the first debtor. The creditor must also show a place of residence where the store is located. The store owner and the borrower can appeal the permission decision. Upon the objection, the court renders its decision immediately. If the judgment is in favor of the creditor, it cannot be decided to postpone the execution. However, upon the request of the relevant parties, the enforcement court may decide to keep the money to be obtained from the sale of the deposited goods in the enforcement cashier until the judgment becomes final.

BOOK FOUR – Transport Works

PART ONE – General Provisions

**A) Carrier**

**ARTICLE 850**-(1) The carrier is the person who undertakes the transportation of goods or passengers or both together with the carriage contract. Goods include all kinds of cargo.

(2) The carrier, with the contract of carriage, takes the goods to the destination and delivers them to the consignee or delivers the passenger to the destination; On the other hand, the sender in goods transport and the passenger in passenger transport owe the carrier to pay the transportation fee.

(3) Transportation works are commercial business activities.

**B) The scope of application of the provisions**

**ARTICLE 851**- (1) The provisions of this Book shall apply to the person who undertakes the transport of goods and passengers incidentally, to the extent that they are appropriate.

**C) Reserved provisions**

**I- Rule**

**ARTICLE 852**-(1) Special provisions regarding sea, rail and air transport and postal administration are reserved.

**II- Special provisions do not affect liability**

**ARTICLE 853**-(1) The carrier and the freight forwarder cannot request the reduction or removal of the responsibility imposed on them by the Law, even if they have the transportation business performed by an organization that is subject to the special provisions stipulated in Article 852. The provisions of Chapter Four regarding carriage by different types of vehicles are reserved.

**D) Invalidity of provisions regarding the removal or mitigation of liability**

**ARTICLE 854**-(1) All contractual provisions that result in the prior mitigation or removal of the responsibilities imposed by the law on the carrier, the freight forwarder and the transportation operators whose activities are subject to State permission are void. The provision is the same if these provisions are stipulated in the operating regulations, general transaction conditions, tickets, tariffs or other similar documents.

**E) Timeout**

**ARTICLE 855**- (1) In the transports subject to the provisions of this Book, in case the passenger dies as a result of an accident or suffers a damage that damages his bodily integrity, the right to claim is within ten years; for other damages, it becomes time-barred in one year.

(2) This period is the delivery of the goods to the consignee in the transportation of goods; in passenger transport, it starts from the date of arrival of the passenger at the destination. If the goods are completely lost or the passenger could not reach his destination, the statute of limitations begins to run from the date the goods are delivered and the passenger should arrive.

(3) The statute of limitations regarding the recourse rights, provided that the recourse creditor has notified the recourse debtor about the damage within three months from the date on which he learned about the damage and the recourse debtor; The recourse begins to run from the day the court decision against the creditor becomes final, and in cases where there is no finalized court decision, from the date of the performance of the debt by the recourse creditor.

11161

(4) The sender or the consignee can always assert their rights against the carrier in defense, provided that they have requested within one year in accordance with the third paragraph of Article 18.

(5) Due to an act or omission of the carrier, which was committed intentionally or recklessly and with the awareness of the possibility of such damage;

a) If the goods are lost, damaged or delivered late,

b) If the passenger arrived late,

The liability of the carrier is time-barred in three years.

(6) The statute of limitations provisions of the Highway Traffic Law No. 13 dated 10/1983/2918 are reserved.

PART TWO - Transport of Goods

**A) Implementation of the contract of carriage**

**I – Consignment note**

**ARTICLE 856**-(1) The transport bill is issued upon the request of one of the parties. The bill is prepared in three original copies and signed by the sender. The sender may also require the carrier to sign the consignment note. The signature on the copies of the handwritten transport notes may be in the form of a stamp or seal, or in print. One copy belongs to the sender, the other accompanies the goods, and the third remains with the carrier.

(2) Even if the carriage bill has not been drawn up, a carriage contract is concluded with the mutual and appropriate wills of the parties. Delivery of the goods to the carrier is presumed to exist in the contract of carriage.

**II – Contents of the bill of lading**

**ARTICLE 857**-(1) The transport bill contains the following records:

a) Place and date of issue.

b) Name, surname or trade name and address of the sender.

c) Name, surname or trade name and address of the carrier.

d) The place and day the goods will be received and the place where they will be delivered.

e) The name, surname or trade name and address of the sender.

f) Notification address when necessary.

g) The usual mark of the type of the goods and the type of packaging, and the marks envisaged in the relevant legislation for dangerous goods and generally recognized in other cases.

h) Number, markings and numbers of packages to be transported.

i) Unclear weight or otherwise declared quantity of the goods.

j) The period during which the transport will be made.

k) The agreed transportation fee and the expenses to be incurred until delivery, and the relevant record in case the transportation fee is to be paid by someone other than the sender.

l) Record of payment on delivery and amount to be paid in pay-on-delivery transports.

m) Instructions regarding the customs and other official transactions of the goods.

n) The contract, if any, that the carriage can be carried out in an open or uncovered vehicle or on the deck.

(2) Other records deemed appropriate by the parties may also be included in the bill of lading.

11162

**III – Proof of proof of transport document**

**ARTICLE 858**-(1) The transport document signed by both parties constitutes proof that the contract of carriage was made, its content and the receipt of the goods by the carrier.

(2) The transport bill signed by the two parties is the presumption that the goods and their packaging are in good external appearance at the time the goods are received by the carrier, and that the number, markings and numbers of the packages carried comply with the records in the transport document; unless the carrier has made a reservation on the bill of exchange for a justified reason. The reservation may also be based on the reason that the carrier does not have the appropriate means to verify the accuracy of the records.

(3) If the unclear weight of the goods or the amount declared in any other way or the contents of the packages to be transported are inspected by the carrier and the result of the inspection is written on the transport document signed by both parties, this letter presumes that the weight, quantity and content are in accordance with the records in the transport note. .

(4) The carrier is obliged to inspect the weight, quantity or content of the goods, if the sender has requested and has appropriate means. In this case, the carrier requests the expenses related to the inspection.

**IV – Bill of Cargo**

**ARTICLE 859**-(1) If a bill of lading has not been issued, the carrier has to sign a bill of lading containing sufficient information about the goods and the carriage and give it to the sender upon the request of the sender.

**V – Accompanying documents**

**ARTICLE 860**- (1) Before the delivery of the goods, the sender is obliged to provide the carrier with official information, especially necessary for customs procedures, and leave the said documents at the disposal of the carrier.

(2) The carrier is liable for loss, damage or misuse of documents given to it; unless the loss, damage or misuse has been caused by circumstances which the carrier cannot avoid and avoid the consequences of. However, the liability of the carrier is limited to the amount payable in case of loss of the goods.

**VI – Dangerous goods**

**ARTICLE 861**-(1) If dangerous goods are to be transported, the sender is obliged to notify the carrier in a timely manner, in clear, understandable and written form, about the type of danger and, if necessary, the precautions to be taken.

(2) If the carrier does not know the type of danger while receiving the goods, or if no notification has been given to him, he shall discharge, store, transport or, if necessary, destroy the dangerous goods and render them harmless, without any indemnity obligation against the sender, and to cover the necessary expenses due to these measures, from the sender. may request.

**VII – Packaging and marking**

**ARTICLE 862**-(1) If the nature of the goods requires packaging, taking into account the agreed transport, the consignor must package the goods in a way that will protect them from loss and damage and not harm the carrier. In addition, the sender is obliged to put these marks if the goods need to be marked so that they can be processed in accordance with the provisions of the contract.

11163

**VIII – Loading and unloading**

**ARTICLE 863**-(1) Unless otherwise understood from the contract, the necessity of the situation or commercial practice; The sender is obliged to load and unload the goods in the same way by putting them in the vehicle, stacking them, tying them, fixing them in accordance with the transportation safety. The carrier is also obliged to ensure that the loading complies with the operational safety.

(2) Regarding loading and unloading, for a reasonable period of time to be determined according to the requirements of the situation, no additional fees may be charged, unless otherwise agreed.

(3) If the carrier waits longer than the reasonable loading or unloading time based on the terms of the contract or for reasons not arising from its own risk area, it is entitled to an appropriate fee as a waiting fee.

**IX – Strict liability of the sender in special cases**

**ARTICLE 864**-(1) Even if the sender is not at fault;

a) Inadequate packaging and marking,

b) Inaccuracies, inaccuracies and deficiencies in the information written on the shipping bill,

c) Failure to notify about this nature of the dangerous goods,

d) Deficiencies in the documents and information specified in the first paragraph of Article 860, inaccuracies, and the absence of documents and information,

The carrier is liable to compensate for the losses and expenses incurred by the carrier.

(2)However, the amount of compensation for which the sender is liable in these circumstances is limited to 8,33 Special Drawing Rights per kilogram of the unnet weight of the shipment. In this case, the fourth paragraph of Article 882 and Articles 885 to 887 are applied by analogy.

(3) If the carrier's actions have also had an impact on the damage or expense, the extent to which these actions are effective is also taken into account in determining the scope of the compensation obligation and the compensation to be paid.

(4) If the sender is the consumer, he is liable to the carrier for compensation for his losses and expenses only in case of his fault and in accordance with the provisions of the first and second paragraphs.

(5) The consumer is a natural or legal person who concludes the contract for a purpose not related to his commercial or professional activity.

**X – Termination by sender**

**ARTICLE 865**-(1) The sender may terminate the contract of carriage at any time.

(2) If the sender terminates the contract, the carrier;

a) The amount remaining by deducting the agreed transportation fee and the waiting fee and the expenses required to be compensated, the expenses saved as a result of the termination of the contract or the benefits that it has otherwise obtained or neglected to obtain in bad faith, or

b) One third of the agreed transportation fee,

may request. If the termination of the contract of carriage is caused by a reason that falls within the risk area of ​​the carrier, no claim can be made pursuant to subparagraph (b) of this paragraph, and if the sender does not have an interest in the performance of the contract, the carrier's right to claim arising from subparagraph (a) of this paragraph is also lost.

11164

(3) If the goods are loaded before the termination of the contract, the carrier may take measures in accordance with the second to fourth sentences of the third paragraph of Article 869, at the expense of the sender. The carrier may allow the unloading of the goods as long as the unloading does not cause any inconvenience to its operation and the senders and recipients of other shipments are not harmed by this. If the termination is due to a reason that falls within the risk area of ​​the carrier, unlike the first and second sentences, the carrier must immediately unload the loaded goods at his own expense.

**XI – Right to request partial carriage**

**ARTICLE 866**- (1) The carrier has to depart at the request of the sender, even if not all of the goods to be transported are loaded. In this case, the carrier;

a) The entire transportation fee agreed in the contract,

b) The born waiting fee,

c) Expenses and losses incurred due to incomplete loading,

d) If his receivables are partially or completely unsecured due to incomplete loading, additional collateral is given to him,

may request. However, if the goods that are not partially loaded have been transported pursuant to another contract, the transportation fee to be charged for this goods shall be deducted from the fee to be charged in accordance with subparagraph (a).

(2) If the incomplete loading is caused by the reasons that fall into the risk area of ​​the carrier, the carrier has the claim rights specified in the first paragraph at the rate of the actually transported load.

**XII - Rights of the carrier in case of non-compliance with the loading time**

**ARTICLE 867**-(1) If the consignor does not load the goods in due time or does not make the goods available in cases where he is not obliged to load, the carrier shall give a reasonable time warning to the sender that the goods be loaded or made available.

(2) If the goods are not loaded or made available within the time given in accordance with the provisions of the first paragraph, the carrier may terminate the contract and exercise its rights according to the second paragraph of Article 865.

(3) If the agreed loading is partially completed or the goods are partially available within the time given according to the provision of the first paragraph, the carrier may set off with the underloaded goods and use the right of claim in accordance with subparagraphs (a) to (d) of the first paragraph of Article 866.

(4) If the failure to comply with the loading time is due to a reason that falls within the risk area of ​​the carrier, the carrier has no right to claim.

**XIII – Orders, instructions and savings**

**ARTICLE 868**-(1) The sender may give orders and instructions to the carrier to carry out the transport, or he may act in the form of stopping the transport, returning the goods, taking them to another destination or delivery place, or delivering them to another consignee. If such orders, instructions and dispositions of the sender are inconvenient for the carrier's business or entail a threat of damage to the shipments of other senders and recipients, the carrier is not obliged to fulfill them. The carrier may request the necessary expenses and an appropriate fee for the fulfillment of the orders and instructions received from the sender and his savings. The carrier may make the execution of orders, instructions and dispositions conditional upon payment of an advance.

11165

(2) With the arrival of the goods at the place of delivery, the sender's authority to give orders and instructions and his right to act ends. From this moment on, such authority and rights belong to the sender. The provisions of the second to fourth sentences of the first paragraph are also valid here.

(3) If the consignee has requested the delivery of the goods to a third party by using his right of disposal, this person cannot determine another consignee.

(4) If the transport note is issued and signed by both parties, the sender may exercise his right of disposal only by presenting his own copy, provided that it is stipulated in the transport note.

(5) If the carrier is unable to fulfill the orders and instructions given to it and the disposals of the sender, it must notify the sender.

(6) The use of the right of saving is conditional on the presentation of the transport bill and the carrier is liable to the right holders for the damages that may arise from this if the transport document has been carried out without the presentation of any instruction. Provisions limiting the liability of the carrier are void.

**XIV – Barriers to transport and delivery**

**ARTICLE 869**- (1) Before the goods reach the place where they need to be delivered, if it is understood that the transportation cannot be carried out in accordance with the contract or if there are obstacles to delivery at the place where the goods will be delivered, the carrier has to take instructions from the person who has the right of disposition in accordance with Article 868. If the sender has the right of disposal and cannot be found or refrains from receiving the goods, the right of disposal is exercised by the sender in accordance with the first sentence. Even if the use of the right of savings is dependent on the presentation of the transport bill, in this case, the presentation of the transport bill is not required. In cases where it has been instructed, the carrier may claim the claim rights set forth in the third and fourth sentences of the first paragraph of Article 868, provided that the delivery obstacle is not caused by a reason that falls within the risk area of ​​the carrier.

(2) After the sender gives the order to deliver the goods to a third party based on his power of disposition pursuant to Article 868, if a transportation or delivery obstacle arises, in the application of the first paragraph, the sender and the third party take the place of the sender.

(3) According to the first sentence of the first paragraph of Article 868, if the carrier does not receive the instructions within a suitable time, it is obliged to take the measures that seem to be in the best interest of the owner of the right of disposal. The carrier may unload and store the goods, deposit them for storage in the account of the person who has the right of disposal in accordance with the provisions of paragraphs one to four of Article 868 or transport them back. If the carrier delivers the goods to a third party, he is only responsible for the care that must be taken in the selection of that person. If there is a perishable goods, if the condition of the goods justifies such a measure, or if the expenses incurred otherwise are not at a reasonable rate according to the value of the goods, the carrier may have the goods sold in accordance with the provision of Article 108 of the Turkish Code of Obligations. The carrier may destroy the goods that cannot be evaluated. After the goods are unloaded, the transport is deemed to have ended.

(4) The carrier requests compensation for the necessary expenses and an appropriate fee due to the measures taken in accordance with the third paragraph; unless the obstacle is caused by a cause that falls within its own risk area.

**XV – Calculation and payment of freight**

**ARTICLE 870**-(1) The transportation fee is paid upon delivery of the goods. Apart from the transportation fee, the carrier may also request the expenses incurred for the goods, which are necessary according to the situation and conditions.

11166

(2) If the carriage is terminated prematurely due to a carriage or delivery obstacle, the carrier is entitled to a carriage charge in proportion to the completed portion of the carriage. If the obstacle is caused by a reason that falls within the risk area of ​​the carrier, the carrier can only claim the completed part of the carriage to the extent that it is in the interest of the sender.

(3) If there is a delay after the start of the carriage but before reaching the place of delivery and this delay is caused by a reason that falls within the risk area of ​​the sender, the carrier may also request a suitable price in addition to the carriage fee.

(4) If the transportation fee is determined according to the number, weight or quantity of the goods shown in another measure, it is assumed that the records in the transportation or cargo bill are correct in calculating the transportation fee. This assumption also applies if reservations have been made regarding the lack of appropriate tools for checking the accuracy of records.

**XVI – Consignee's rights and payment obligations**

**ARTICLE 871**- (1) After the goods arrive at the place of delivery, the carrier may request that the goods be delivered to him in return for the fulfillment of the obligations arising from the contract of carriage. If the goods are lost, damaged or delivered late, the consignee may claim the sender's claims arising from the contract of carriage against the carrier. The sender remains entitled to assert these rights. It does not make any difference if the sender or the sender acts in their own or someone else's interest.

(2) The consignee, who claims the right of request in accordance with the first sentence of the first paragraph, is obliged to pay the transportation fee, if a part of the transportation fee has been paid, the remaining part is limited to the amount shown in the transportation bill. If the consignment note has not been issued or presented to the consignee, or if the amount due cannot be deduced from the consignment note, the consignee must pay the transport fee agreed between the consignor and the carrier, provided that it is reasonable.

(3) The consignee, who claims his right to claim in accordance with the first sentence of the first paragraph, pays the waiting fee at the unloading place and also the waiting fee at the loading place and the price to be paid in accordance with the third paragraph of Article 870, provided that it is notified to him during the delivery of the goods.

(4) The responsibility of the sender continues for the costs to be paid according to the contract.

**XVII – Delivery with payment**

**ARTICLE 872**-(1) Delivery of the goods to the consignee may be conditional upon payment of the agreed price. In this case, the payment must be made in cash or by a means of payment equivalent to cash.

(2) The cost obtained as a result of collection shall be deemed to have passed to the sender in terms of the creditors of the carrier.

(3) If the goods are delivered to the consignee without being collected, the carrier is liable for the resulting damage, even if he is not at fault to the sender, limited to the amount payable on delivery of the goods.

**XVIII – Transport time**

**ARTICLE 873**- (1) The carrier is obliged to deliver the goods within the agreed time, within a reasonable time which, if a time has not been agreed, can be afforded to an attentive carrier, taking into account the circumstances.

11167

**XIX – Presumption of loss**

**ARTICLE 874**-(1) If the goods are not delivered within twenty days following the transportation period, the right owner may regard it as lost. This period is thirty days for cross-border transports.

(2) If the right owner receives compensation due to the loss of the goods, he may request that he be informed immediately during the payment of this, if the goods are found later.

(3) The owner of the right may request the delivery of the goods within thirty days after receiving the news that the goods have been found, by reimbursing the compensation by deducting the expenses when necessary. The obligation to pay the transportation fee and the right to compensation are reserved.

(4) If the goods have been found after the payment of compensation, the carrier may freely dispose of the goods in cases where the right holder does not want to be informed of this or does not claim his right to deliver the goods after the news of the discovery.

**B) Responsibility of the carrier**

**I – Liability for loss or damage and loss resulting from delay**

**ARTICLE 875**- (1) The carrier is responsible for the loss, damage or delay in delivery of the goods during the period from the receipt of the goods for carriage to their delivery.

(2) If the damage is caused by the behavior of the sender or the consignee or a special defect of the goods, the extent to which these facts are effective is taken into account in determining the scope and scope of the compensation debt.

(3) Even if there is no damage in case of delay, the transportation fee is reduced in proportion to the delay period; unless the carrier has proven that he has shown every care.

**II – Release from liability**

**1. In general**

**a) Care of the carrier**

**ARTICLE 876**-(1) If the loss, damage and delay are caused by reasons that the carrier cannot avoid and prevent its consequences, despite the utmost care, the carrier is relieved of its liability.

**b) Vehicle malfunction and fault of the lessor**

**ARTICLE 877**-(1) The carrier cannot be exempted from liability based on the fault in the transport vehicle, the fault of the person rented the vehicle, its representatives or employees.

**2. Special circumstances**

**ARTICLE 878**- (1) The carrier is released from liability if the loss, damage or delay in delivery can be attributed to one of the following situations:

a) The use of an open-top vehicle or loading onto the deck in accordance with the contract or custom.

b) Inadequate packaging by the sender.

c) Processing, loading or unloading of the goods by the consignor or consignee.

d) the goods; its natural nature, which causes it to be easily damaged, especially by breakage, rusting, deterioration, drying, seepage, ordinary waste.

e) Insufficient labeling of the packages to be transported by the sender.

f) Live animal transportation.

11168

g) Cases where the provisions in the Customs Law No. 27 and dated 10/1999/4458 and other laws and regulations justify the carrier's release from liability.

(2) In cases where it is probable that any damage will be attributed to a cause stipulated in the first paragraph, according to the circumstances and conditions, it is assumed that that damage has been caused by this reason. In case of extraordinary loss or damage stipulated in subparagraph (a) of the first paragraph, this presumption shall not be valid.

(3) If the loss, damage or delay is caused by the carrier's failure to comply with the sender's special instructions regarding the carriage of the goods, the carrier cannot be relieved of its liability based on subparagraph (a) of the first paragraph.

(4) If the carrier is under the special obligation to protect the goods against heat, cold, temperature changes, humidity, vibrations or similar effects pursuant to the contract, subparagraph (d) of the first paragraph can only be selected and maintained according to the circumstances and conditions, especially the necessary equipment. and if he/she has taken all the precautions regarding its use and acted in accordance with the special instructions.

(5) The carrier can only rely on subparagraph (f) of the first paragraph if it has taken all the measures that fall under the circumstances and acted in accordance with the special instructions.

**III – Fault of assistants**

**ARTICLE 879**-(1) Carrier;

a) their own people,

b) Persons benefited for the fulfillment of the transportation,

are responsible for their acts and omissions during the performance of their duties, just as their own acts and omissions.

**IV – Value to be taken as a basis for compensation**

**ARTICLE 880**-(1) When the carrier is held liable to pay compensation for the complete or partial loss of the goods, this compensation is calculated based on the value of the goods at the time and place of receipt for carriage.

(2) In case of damage to the goods, the difference between the undamaged value and the damaged value at the time and place of receipt for transportation is compensated. It is presumed that the expenditures to be made to reduce and eliminate the damage cover the value difference to be determined according to the first sentence.

(3) The value of the goods is determined according to the market price or, if not, according to the current value of the goods of the same type and nature. If the goods are sold just before delivery for carriage, the sales price shown on the seller's invoice by deducting the transportation costs is assumed to be the market price.

**V- Loss detection expenses**

**ARTICLE 881**- (1) In case of loss or damage to the goods, the carrier is also liable to compensate the expenses that must be incurred in order to determine the damage, in addition to the compensation to be paid pursuant to Article 880.

**VI – Limits of liability**

**ARTICLE 882**-(1) In case of loss or damage of the entire consignment, the compensation to be paid pursuant to Articles 880 and 881 is limited to the amount that meets the Special Drawing Right of 8,33 for each kilogram of the unclear weight of the consignment.

11169

(2) The carrier's liability in case of loss or damage to individual parts of the consignment;

a) If the entire post has lost its value,

b) If a part of the shipment has lost its value, the part that has lost its value,

limited to 8,33 Special Drawing Rights for each kilogram of unspecified weight.

(3) The liability of the carrier arising from exceeding the transportation period is limited to three times the transportation fee.

(4) The Special Drawing Right is converted into Turkish Lira according to the value determined by the Central Bank of the Republic of Turkey on the date the goods are delivered to the carrier for carriage or on another date agreed by the parties.

**VII – Compensation of other expenses**

**ARTICLE 883**-(1) In cases where the carrier is responsible for loss or damage, besides paying the compensation to be paid according to Articles 880 to 882, it returns the transportation fee and covers the taxes, duties and other expenses incurred due to the transportation work. However, in case of damage, the payments to be made pursuant to the first sentence are determined in proportion to the price to be determined according to the second paragraph of Article 880. Other damages are not covered.

**VIII – Maximum amount of liability for other damages**

**ARTICLE 884**- (1) The carrier shall be limited to three times the amount of compensation to be paid in case of complete loss, for damages other than property or person damages, which are not caused by the loss, damage or exceeding the transportation period, and which are caused by the carrier's breach of a contractual obligation in the performance of the transportation work. responsible for.

**IX – Non-contractual claims**

**ARTICLE 885**- (1) The exclusions and limitations of liability set forth in this Section also apply to non-contractual claims that the consignor or consignee may bring to the carrier due to loss, damage or delay.

(2) The carrier may rely on exclusion and limitations from liability against third parties' non-contractual claims for loss or damage to the goods. However, these are;

a) If the third party has not approved the carriage and the carrier knows or should know that the consignor is not authorized to send the goods,

b) If the goods have been lost before being received for carriage without the consent of the third party or the person who acquired possession from him, it cannot be claimed.

**X – Loss of the right to limit liability**

**ARTICLE 886**- (1) The carrier or the persons specified in Article 879, who are proven to have caused the damage by an act or omission committed with an intentional or reckless behavior and with the awareness of the possibility of such damage, cannot benefit from the exemption from liability and limitations of liability stipulated in this Section.

11170

**XI – Responsibility of assistants**

**ARTICLE 887**- (1) If claims arising out of non-contractual liability are brought against one of the carrier's assistants for loss, damage or late delivery of the goods, that person may rely on the grounds for relief and limitations of liability provided for in this Section. If the damage is caused by an act or negligence committed with an intentional or reckless behavior and with the awareness of the possibility of such a damage, the first sentence provision does not apply.

**XII - Actual carrier**

**ARTICLE 888**-(1) If the carriage is partially or completely carried out by the actual carrier, which is a third party, this person is liable as the original carrier for the damage incurred during the carriage by him due to the loss, damage or delay of the goods. Contracts made by the original carrier with the sender or consignee for the extension of liability are valid against the actual carrier, provided that he accepts them in writing.

(2) The actual carrier may assert all claims of the original carrier arising from the contract of carriage.

(3) The main carrier and the actual carrier are jointly and severally liable.

(4) If an application is made to the assistants of the actual carrier, the provision of Article 887 is applied.

(5) The actual carrier may have the condition of the goods delivered to him determined in the transport bill or other document. If this provision is not complied with, the provisions of the second paragraph of Article 858 shall apply.

**XIII - Statement**

**ARTICLE 889**-(1) If the loss or damage of the goods is clearly seen, if the sender or the consignee do not report the loss or damage until the delivery time at the latest, it is assumed that the goods have been delivered in accordance with the contract. The notification must clearly state and characterize the damage.

(2) The presumption in the first paragraph is also valid if the loss or damage is not clearly visible and is not reported within seven days after the delivery of the goods.

(3) If the consignee does not notify the carrier that the delivery time has been exceeded within twenty-one days from the delivery, his rights arising from the delay shall expire.

(4) The notification made after the delivery must be in writing. Notification can also be made with the help of telecommunication tools. If it is in any way clear who the notifier is, there is no need for a signature. It is sufficient for the notification to be sent on time to maintain the time limit.

(5) If loss, damage or delay is reported during delivery, it is sufficient to make this notification to the person who delivered the goods in accordance with the above provisions.

**XIV – Competent court**

**ARTICLE 890**-(1) In the case of legal disputes arising from the transportation subject to the provisions of the First and Second Part, the court of the place where the goods were received or which is foreseen for delivery is also authorized.

(2) A lawsuit to be filed against the actual carrier may be filed in the court of the principal carrier's domicile, and a lawsuit against the principal carrier may also be filed in the court of the actual carrier's domicile.

**XV – Right of imprisonment**

**ARTICLE 891**- (1) The carrier has the right of lien on the goods for all his receivables arising from the contract of carriage, in accordance with Articles 950 to 953 of the Turkish Civil Code. The right to imprisonment also includes the accompanying documents in Article 860.

11171

(2) The carrier has the right to lien as long as he has the goods in his possession or has the right to dispose of the goods by means of bills of lading and transport bills.

(3) It is obligatory that the notification regarding the conversion of the pledge into money is made to the sender. If the consignee cannot be found or refuses to receive the goods, the notification is made against the sender.

**XVI – Multiple carriers**

**ARTICLE 892**-(1) In case the goods are transported by more than one carrier, at the delivery of the goods; If the last carrier has to collect the debts of the previous carriers, it exercises the rights of the previous carriers, in particular the right of lien. As long as the last carrier has the right of lien, the lien of the previous carriers continues.

(2) If the previous carrier's claim is paid by the next carrier, the previous carrier's right of claim and lien passes to the next carrier.

(3) The provisions of the first and second paragraphs are also applied to the receivables and rights of the freight forwarder who participated in the carriage.

**XVII – Order of multiple custodial sentences**

**ARTICLE 893**-(1) If there is more than one lien on the same item associated with the transport of the ware, lien rights directly related to the transport of the goods precede the others. As for the latter, those born later precede the former.

PART THREE - Transport of Moving Goods

**A) Provisions to be applied**

**ARTICLE 894**-(1) An item that is taken from a house, office or similar place and moved to a similar place is a "moving item". The provisions of the First and Second Part of this Book shall apply to the contract of carriage, the subject of which is the moving goods, unless otherwise provided in the provisions of this Part or in the international agreements to be applied.

**B) Obligations of the carrier**

**ARTICLE 895**-(1) The carrier's obligations also include the dismantling and installation of furniture and the loading and unloading of moving goods.

(2) If the sender is the consumer defined in the fifth paragraph of Article 864, it is the carrier's responsibility to carry out other transport-related works such as packaging and marking of the moving goods.

**C) Transport note, dangerous goods, accompanying documents, notification and information obligations**

**ARTICLE 896**-(1) Unlike Articles 856 and 857, the sender is not obliged to issue a transport bill.

(2) If the transported goods are considered as dangerous goods and the sender is a consumer, unlike Article 861, the carrier is only informed about the danger that may arise from the goods in general. Disclosure is not bound by any form. The carrier also warns the sender of his obligation in the first sentence.

11172

(3) If the sender is a consumer, the carrier informs the sender of the customs rules and other administrative provisions that must be complied with. However, the carrier is not obliged to check that the information and documents submitted to its disposal by the sender are correct and complete.

**D) Responsibility of the sender in special cases**

**ARTICLE 897**-(1) The sender is only liable to the carrier for compensation in the amount of 864 Special Drawing Rights per cubic meter of loading volume required for the performance of the contract of carriage, unlike the second paragraph of Article 1.500, due to the damage it has caused.

**E) Reasons for exemption from liability**

**ARTICLE 898**-(1) Different from the provisions in Article 878 of the Law, in case the loss or damage is caused by the following reasons, the carrier is released from liability:

a) If the carrier is carrying precious metals, stones, jewellery, postage stamps, coins, documents or valuable papers.

b) The packaging or labeling by the sender is insufficient.

c) If the transported goods have been processed, loaded or unloaded by the sender.

d) If the goods not packed by the carrier have been transported.

e) If the goods that do not comply with the conditions at the place of loading and unloading in terms of size and weight are loaded or unloaded at the insistence of the sender, although the carrier has warned the sender about the possible danger of damage beforehand.

f) If live animals or plants have been transported.

g) If the goods are easily damaged due to their natural or defective nature, especially due to reasons such as breakage, malfunction, corrosion, deterioration or leakage.

(2) In cases where the damage may have resulted from the dangers specified in the first paragraph, depending on the circumstances and conditions, it is assumed that the damage has arisen from these dangers.

(3) The carrier can only rely on the provisions of the first paragraph if it has done its part according to the situation and conditions and has taken all the precautions and followed the instructions.

**F) Limit of liability**

**ARTICLE 899**-(1) Unlike the regulation in the first and second paragraphs of Article 882, the liability of the carrier due to loss or damage is limited to 1.500 Special Drawing Rights per cubic meter of loading volume required for the performance of the contract of carriage.

**G) Notice**

**ARTICLE 900**-(1) The claim rights arising from the loss or damage of the goods, unlike the first and second paragraphs of Article 889;

a) If it is clearly seen that the goods have been lost or damaged, at the latest within three working days following the delivery, or

b) In the event that the loss or damage is not clearly visible, at the latest within fourteen days following the delivery,

expires if not notified to the carrier.

**H) Loss of the right to limit liability**

**ARTICLE 901**-(1) If the sender is the consumer, the carrier or one of the persons mentioned in Article 879;

11173

a) If the carrier did not inform the consignor about the liability provisions when concluding the contract and did not indicate the possibility of making a contract to expand the liability or insuring the goods, it cannot rely on the conditions of exemption from liability and limitations of liability stipulated in the Second Part of this Book with the provisions of Articles 898 and 899,

b) If the carrier has not informed the consignee about the form and duration of the damage notification and the legal consequences of not making this notification, at the latest during the delivery of the goods, it cannot rely on the provision of Article 900.

(2) The information must be in written, easily readable and understandable form.

PART FOUR – Transportation by Different Types of Vehicles

**A) Contract**

**ARTICLE 902**-(1) The provisions of Part One and Part Two of this Book are also applicable to contracts of carriage with different types of vehicles, provided that all of the following conditions are met:

a) If the carriage of the goods is based on a complete contract of carriage.

b) If the carriage will be made by different types of vehicles in the context of this contract.

c) If the parties had made a separate contract for each type of vehicle, at least two of the said contracts would have been subject to different provisions.

d) With the following provisions, if there is no contrary regulation in the international agreements that need to be implemented.

**B) Known place of damage**

**ARTICLE 903**-(1) If it is clear in which part of the carriage the event leading to the loss, damage or delay in delivery occurred, the carrier's liability shall be subject to the provisions of that contract if a separate contract of carriage had been concluded for that part of the carriage in place of the provisions of Parts One and Two of this Book. determined accordingly. The burden of proof as to which part of the carriage the event causing loss, damage or delay in delivery occurred, is on the party claiming it.

**C) Notification and statute of limitations**

**ARTICLE 904**- (1) Regarding the notification of the damage, the provision of Article 889 is applied regardless of whether the location of the damage is known or it is known later. If a separate carriage contract had been made for the last part of the carriage, the form and time stipulated for the notification of the damage shall be deemed to have been complied with, even if a notification is made in accordance with the provisions to be applied to that contract.

(2) In cases where the delivery date is taken as a basis for the start of the statute of limitations on the claim based on loss, damage or delay in delivery, this date is the delivery date of the goods to the consignee. The right to claim becomes time-barred at the earliest in accordance with Article 855, even if the place of damage is known.

**D) transportation of moving goods**

**ARTICLE 905**-(1) If the subject of the contract of carriage with different types of vehicles is movable goods, the provisions of the Third Part of this Book shall apply to the contract. The provision of Article 903 of the Law shall apply to the part of the carriage where the damage occurred, only if one of the international agreements binding for the Republic of Turkey is valid.

11174

**FIFTH**

**Passenger Transportation**

**A) Obligation to obey the rules**

**ARTICLE 906**- (1) The passenger has to comply with the rules set by the carrier for arranging domestic services.

**B) Failure to make the expedition**

**ARTICLE 907**-(1) If the voyage was not made due to a reason that arose after the contract of carriage was concluded but before the departure, the following provisions shall apply:

a) If the voyage is not possible due to death, illness or a force majeure reason, the contract will automatically become void without any indemnification obligation to any of the parties.

b) If the voyage is not made for a reason that is related to the transport vehicle and does not create a fault for the carrier, prevents the journey due to the fault of both parties, or puts the journey in a dangerous situation, the contract will automatically become void without any indemnity obligation to either party.

c) If the voyage was not made due to the carrier's act or negligence, the passenger may request compensation.

d) If the voyage was not made for any reason and the passenger could not be at the required place on time for that voyage, he has the right to travel with a vehicle of the same rank and at a place of the same rank on one of the voyages following that voyage; unless the fulfillment of this request is impossible for the carrier or it creates a great financial burden. The carrier, who cannot offer a flight to the passenger, pays compensation equal to three times the ticket price. If there is no fault of the carrier in the failure of the voyage, if the passenger refuses the voyage offered to him under the same conditions without showing a justified reason, he/she pays the transportation fee.

e) In the cases mentioned in subparagraphs (a), (b) and (c), the carrier returns the transportation fee it has received in advance.

**C) Delay of the voyage**

**I – Delay of motion**

**ARTICLE 908**- (1) If the movement is delayed for a period of time that the passenger cannot be asked to endure, depending on the situation and conditions, the passenger may withdraw from the contract and demand the fee paid and, if any, damage. If the passenger has made the journey despite the delay, he can only claim compensation for the damage caused by the delay. Withdrawal is not dependent on shape; Departure from the place of action is accepted as a withdrawal. Regardless of whether the contract is withdrawn or not, even if any damage caused by the delay cannot be proven, the court decides to pay three times the ticket price.

**II – During the Campaign**

**1. Change path**

**ARTICLE 909**- (1) During the voyage, if the carrier stops at a place not included in the schedule, follows a route other than the usual route for no reason, or arrives late to the intended destination in any other way and due to his own act, the passenger may withdraw from the contract and request compensation.

(2) If the carrier is carrying cargo other than passengers, it may suspend the voyage for the time required for the unloading of the cargo.

(3) The provisions of this article shall apply unless there is a contrary provision in the contract.

11175

**2. Forced reasons**

**ARTICLE 910**- (1) If the voyage is delayed due to a government order, an administrative act, the necessity of repairing the vehicle, or a reason that suddenly leaves and makes the continuation of the journey dangerous, unless there is an agreement between the two parties, the following provisions shall apply:

a) If the passenger does not want to wait for the removal of the obstacle or the end of the repair, he can withdraw from the contract by paying the transportation fee in proportion to the distance traveled.

b) If the passenger waits for the departure of the transport vehicle, he only pays the agreed fare. If food is included in the transportation fee, the passenger will bear the cost of the meal during the stop.

**D) Pause of the voyage**

**ARTICLE 911**- (1) If the voyage stops after the conclusion of the contract of carriage and the departure, the following provisions shall apply, unless there is a contrary provision in the contract:

a) If the passenger voluntarily abandons the journey at a place on the road, he pays the entire fare.

b) If the carrier abandons the continuation of the voyage or if the passenger has to get off at a place on the way due to the fault of the carrier, the transportation fee is not paid; If paid, the passenger will receive a full refund. The passenger's right to compensation is reserved.

c) If the voyage stops for a reason that concerns the passenger or the transport vehicle and does not constitute a fault for the carrier, the fare is paid in proportion to the route traveled. In this case, neither party pays compensation to the other.

**E) Luggage**

**I – Responsibility of the carrier**

**ARTICLE 912**-(1) The passenger does not pay a separate fee for his/her baggage and hand baggage, unless there is a contrary contract. The carrier is responsible for the loss or damage of the passenger's belongings in accordance with Articles 875 to 886 of the Law.

(2) The carrier is responsible for the passenger's personal belongings.

**II- Right of imprisonment of the carrier**

**ARTICLE 913**-(1) The carrier has the right of lien on the baggage as a guarantee of the travel fee, pursuant to Articles 950 to 953 of the Turkish Civil Code.

**F) Responsibility of the carrier**

**ARTICLE 914**- (1) The carrier is obliged to transport the passengers to their destination in a comfortable and healthy manner, to establish the necessary order especially to avoid air, sound, ground and environmental pollution, to take all other necessary measures and to comply with the rules stipulated in the legislation.

(2) The carrier indemnifies the damage caused by the accident of the passengers. In the event that the passenger dies as a result of an accident, those who are deprived of his assistance may request compensation from the carrier for the damage they have suffered. However, the carrier is exempt from compensation if he or his assistants prove that the accident was caused by a cause which, despite the utmost care, they could not avoid or prevent the consequences.

11176

(3) The carrier, the transfer of the place specified on the ticket to another person, the replacement of the vehicle shown on the ticket with another vehicle that is not at the same level, the passenger not being able to catch up due to the movement of the vehicle before a certain time, the failure to keep the first aid materials and medicines required by the situation in the transport vehicle or to use them immediately He is also responsible according to the second paragraph for the reason that the opportunity has not been provided; Even if no damage is proven, the carrier pays three times the ticket price as compensation.

(4) Vehicle drivers who do the actions shown in the third paragraph, those who have the vehicles under their command and those who use the vehicles in the transport business, are punished by law enforcement officers with an administrative fine from one hundred Turkish Liras to one thousand five hundred Turkish Liras.

**G) Passenger's death**

**ARTICLE 915**- (1) If the passenger dies during the journey, the carrier takes the necessary measures to protect the luggage and belongings of the passenger in good condition until they deliver them to the relevant persons in order to protect the interests of the heirs.

(2) If one of the relatives of the deceased is there, he may supervise these transactions and may request a written statement from the carrier that the goods specified in the first paragraph are in his possession.

**H) Regulation**

**ARTICLE 916**-(1) Passenger transportation is regulated by a regulation by the Ministry of Transport, Maritime Affairs and Communications in accordance with the provisions of this Law. The regulation covers the safety of the journey in all matters, including those concerning the vehicle and the driver; air, sound, ground and environmental cleaning and other requirements. The regulation includes provisions regarding the form of the receipt of the baggage, and especially the records regarding the weight and content of the baggage. There cannot be provisions in the regulation that allow restrictions on baggage weight and liability other than the provisions of this Law.

(2) The responsibility of the carrier arising from the baggage is determined by the Ministry of Transport, Maritime Affairs and Communications, provided that it does not exceed 500 Special Drawing Rights for domestic transports and 1.000 Special Drawing Rights for international transports.

**PART SIX**

**Freight Broker**

**A) Transport brokerage contract**

**ARTICLE 917**-(1) With the freight brokerage contract, the broker undertakes to transport the goods. With this contract, the sender is obliged to pay the agreed fee.

(2)Transportation brokerage is a commercial business activity.

(3) Without prejudice to the special provisions in this Section, the provisions of the brokerage contract and the transport contract in matters pertaining to the carriage of the goods shall also apply to the transport brokerage.

**B) Provisions**

**I – Transport of goods**

**ARTICLE 918**-(1) The debt of transporting the goods, the organization of the transport work and in particular;

a) To determine the means of transport and the means of transport,

b) Selecting the carrier and carriers who will actually carry out the transportation work, making the necessary transportation, warehouse and transportation works brokerage contracts for the transportation of the goods,

11177

c) To give the necessary information and instructions to the carrier and carriers,

d) To secure the sender's compensation rights,

includes obligations.

(2) The scope of the obligations of the commissioner also includes the fulfillment of other acts such as insurance, packaging, marking and customs clearance of the goods agreed for transportation. Unless otherwise stipulated, the broker is only obliged to make the contracts necessary for the fulfillment of these acts.

(3) The freight forwarder makes the necessary contracts on his own or on behalf of the sender, provided that he has received such authorization.

(4) The freight forwarder is obliged to look after the interests of the sender and to comply with his instructions while performing his actions.

**II – Obligation to report**

**ARTICLE 919**-(1) The sender is obliged to pack and mark the goods and provide the necessary documents when necessary, as well as to provide him with the information necessary for the freight forwarder to fulfill his obligations. If the cargo is dangerous goods, the sender is obliged to notify the freight forwarder about the nature of the danger and the precautions to be taken in writing and in a timely manner.

(2) Even if the sender is not charged with any fault, the freight forwarder;

a) Inadequate packaging and marking of the goods,

b) Failure to provide sufficient information about the danger of the cargo, or

c) The lack, absence or inaccuracy of documents and information required for official transactions regarding the goods,

liable for the costs and losses incurred. The second to fifth paragraphs of Article 864 are also applied here.

**III – Due date of the fee**

**ARTICLE 920**-(1) Upon delivery of the goods to the carrier or the carrier, the broker's fee is paid.

**IV – Final fee**

**ARTICLE 921**-(1) If a single price including transportation expenses is agreed as a fee, the freight forwarder shall have the rights and obligations of the carrier or the carrier regarding the transportation. In this case, the broker may request the payment of expenses only in cases where this is normal.

**V – Receivables from the sender**

**ARTICLE 922**-(1) The sender may claim the receivables arising from the contracts concluded by the broker on his behalf and on his behalf, only after these receivables have been transferred to him by the broker. Such receivables and the performances obtained in the context of the fulfillment of these receivables are deemed to have passed to the sender in the relationship of the broker with its creditors.

11178

**VI – Right of imprisonment**

**ARTICLE 923**-(1) The broker has the right to lien on the goods in accordance with Articles 950 to 953 of the Turkish Civil Code for all his receivables arising from the transport brokerage contract. In this regard, the provisions of the second sentence and the third paragraph of the first paragraph of Article 891 are also applied by analogy.

**VII – Next broker**

**ARTICLE 924**-(1) If a freight forwarder is involved in the carriage other than the carrier and this broker will deliver the goods, the provision of Article 892 regarding the carriage contract shall apply to the broker by analogy.

**VIII – Succession**

**ARTICLE 925**-(1) If the receivables of the previous carrier or freight forwarder are paid by the next freight forwarder, the claims and liens of the previous carrier or carrier pass to the next freight forwarder.

**IX – Broker's taking over the carriage**

**ARTICLE 926**-(1) The freight forwarder may personally undertake the transportation of the goods. If he uses this right, he is considered the carrier or the carrier in terms of the rights and obligations arising from the carriage. In this case, he can ask for the usual transportation fee as well as the fee he will ask for his own activity.

**X – Aggregate load**

**ARTICLE 927**-(1) The freight forwarder has the right to transport the goods together with the goods of another sender, based on a carriage contract concluded for his own account.

(2) If the commissioner uses this right, he or she has the rights and obligations of the carrier or the carrier for the transportation of the collected cargo.

**C) Liability**

**I – Responsibility of the broker**

**ARTICLE 928**-(1) The freight forwarder is responsible for the loss and damage of the goods in his possession. Articles 876 to 878, 880 and 881, the first, second and fourth paragraphs of Article 882 and Articles 883, 885 to 887 are applied by analogy.

(2) The freight forwarder is liable for a loss that is not caused by the loss or damage of the goods in his possession, only if he violates an obligation under Article 918. If the damage cannot be avoided despite the care of a cautious trader, the broker is relieved of responsibility.

(3) If the damage is caused by a behavior of the sender or a special defect of the goods, the extent to which these facts are effective in the emergence of the compensation debt and determining its scope shall be taken into account.

**II – Fault of assistants**

**ARTICLE 929**-(1)Forwarding broker;

a) their own people,

b) Persons benefited for the fulfillment of the transportation,

are responsible for their acts and omissions during the performance of their duties, just as their own acts and omissions.

11179

**D) Timeout**

**ARTICLE 930**-(1) Claims and rights arising from the provisions of this Section are time-barred in one year.

(2) The provisions of Article 855 shall apply in terms of the beginning of the statute of limitations, in order to assert a time-barred claim or defense of a right, and in case the damage arises from an act or omission of the freight forwarder committed with an intentional or reckless behavior and with the awareness of the possibility of such a damage.

**FIFTH BOOK**

**Sea trade**

**PART ONE**

**Ship**

**FIRST PART**

**General provisions**

**A) Definitions**

**I- Ship, merchant ship**

**ARTICLE 931**-(1) Any vehicle that has the ability to float and is not very small, the purpose for which it is allocated requires it to move in water, even though it cannot move on its own, is considered a "ship" in terms of this Law.

(2) Every ship allocated for the purpose of providing economic benefit in water or actually used for such a purpose is considered a "merchant ship", regardless of who or on whose behalf or account it is used.

**II- Seaworthy, road and cargo ship**

**ARTICLE 932**-(1) A ship that can withstand the dangers arising from the water (except for completely abnormal dangers) in terms of its main parts such as the hull, general equipment, machinery, boiler is considered “seaworthy”.

(2) A seaworthy ship is considered "roadworthy" if it has the necessary qualifications to withstand the dangers of its voyage (except for completely abnormal hazards) in terms of its organization, loading condition, fuel, stores, sufficiency and number of seafarers.

(3) A ship whose parts used in the transportation of goods, including the cooling installation, are suitable for the acceptance, transportation and storage of the goods, is deemed “suitable for cargo”.

(4) The provisions of the legislation regarding the protection of life and property at sea are reserved.

**III- The ship that is not repairable, the ship that is not worth repairing**

**ARTICLE 933**-(1) In terms of the implementation of this Law, a ship that has become seaworthy;

a) If the repair is not possible at all or in the place where it is located and cannot be taken to a port where it can be repaired, “the ship does not accept repair”,

b) If the repair costs will exceed three-quarters of the previous value of the ship, regardless of the old and new differences, "ship not worth repairing",

counted.

11180

(2) The previous value is the value the ship had at the time of the voyage if the seaworthiness occurred during a voyage; in other cases, it consists of the value that the ship had before it became seaworthy or would have if it was properly equipped.

**IV- Seamen**

**ARTICLE 934**-(1) “Shipmen”; captain, ship's officers, crew and other persons employed on board.

**B) The scope of application of the provisions**

**ARTICLE 935**-(1) Without prejudice to the provisions of the law stipulating the contrary, the provisions of this Law regarding maritime trade shall apply to merchant vessels.

(2) However, this Book;

a) Sections titled “Ship”, “Captain”, “Ship Claims” and “Special Provisions Regarding Forced Execution”, Sections titled “Crash” and “Rescue”, provisions on limitation of liability for maritime claims, and the shipowner's liability arising from the fault of seafarers Article 1062 on the subject, ships allocated only for navigation, sports, education, training and science purposes, such as yachts, seaman training ships,

b) Sections titled “Clashing” and “Rescue”, with its provisions on limitation of liability for maritime claims, and Article 1062 on the liability of the shipowner arising from the fault of seafarers, to State ships assigned exclusively to a public service, to warships and auxiliary ships attached to the navy,

c) The second paragraph of article 944 and articles 945, 947, 948 and 949 regarding the flag certificate, articles 955, 956, 973 and 991 on the registry, article 1013 on legal mortgages, and articles 1054 on the rights on ships under construction. Articles 1058 also apply to ships under construction in Turkey on behalf of a foreign state or its citizens, to the extent that it complies with their qualifications,

Applied.

**C) Legal nature of ships**

**I- in general**

**ARTICLE 936**- (1) Regardless of whether they are registered in the registry, all ships are movable goods in the application of this Law and other laws.

**II- Of the provisions regarding immovables, those applicable to ships**

**ARTICLE 937**-(1) In this Law, the provisions of Article 936 shall not be applied to the ships which are clearly declared to be subject to the provisions of the Execution and Bankruptcy Law regarding immovables.

(2) In the implementation of subparagraph (429) of the first paragraph of Article 2 of the Turkish Civil Code and Articles 444, 523 and 635, the term "immovable" is used for all ships under construction or completed, and the term "land registry" as "ship registries". are included.

**SECOND PART**

**Ship's ID**

**A) Name of the ship**

**I- Freedom of choice**

**ARTICLE 938**-(1) The first Turkish owner of the ship is free to give the ship any name he wishes. However, the chosen name must be different from the names of other ships so as not to cause confusion.

11181

(2) The name of a ship for which a ship certificate has been issued can be changed with the permission of the Ministry of Transport, Maritime Affairs and Communications.

**II- Obligation to be written on the body**

**ARTICLE 939**- (1) The port of mooring of a registered ship with its name on both sides of the side and its name on the stern; It is written in indelible, incorruptible and easily readable letters.

**B) The ship's flag**

**I- The right and obligation to fly the Turkish Flag**

**ARTICLE 940**-(1) Every Turkish ship hoists the Turkish Flag.

(2) The ship owned only by a Turkish citizen is a Turkish ship.

(3) Ships owned by more than one person;

a) In case of joint ownership, the majority of the shares,

b) In case of joint ownership, majority of the owners,

They are considered as Turkish ships provided that they are Turkish citizens.

(4) Established in accordance with Turkish laws;

a) Ships belonging to organizations, institutions, associations and foundations with legal personality, majority of the persons constituting the management body are Turkish citizens,

b) Ships belonging to Turkish commercial companies, the majority of those authorized to manage the company are Turkish citizens and the majority of the votes are in Turkish shareholders according to the company agreement, in joint stock companies and limited partnerships whose capital is divided into shares, the majority of the shares are registered and the transfer of the shares to a foreigner is subject to the permission of the company's board of directors,

provided that they are considered as Turkish ships.

(5) Ships owned by armament subsidiaries registered in the Turkish trade registry are considered Turkish ships, provided that more than half of their shares are owned by Turkish citizens and majority of stakeholder shipowners authorized to manage the subsidiary are Turkish citizens.

**II- Exceptions**

**ARTICLE 941**- (1) If a Turkish ship is left to be operated on their behalf for at least one year, to persons whose right to fly the Turkish Flag if it belongs to them, the Ministry of Transport, Maritime Affairs and Communications, upon the request of the owner, if the laws of that country allow this. may allow the ship to fly a foreign flag. Unless this permission expires or is withdrawn for legal reasons, the ship cannot fly the Turkish Flag.

(2) If a ship that is not a Turkish ship has been left for at least one year to be operated in their own name to those who can fly the Turkish Flag on it, provided that the consent of the owner is obtained, the provisions of the Turkish legislation on the captain and ship's officers are complied with and there is no provision in the foreign law preventing this, The Ministry of Transport, Maritime Affairs and Communications may allow the ship to fly the Turkish Flag. In so far, the person who takes the permit is obliged to prove that the necessary conditions for the permit continue to exist every two years.

(3) Ships specified in the second paragraph are registered in a special registry to be kept by the Ministry of Transport, Maritime Affairs and Communications.

11182

**III- Loss of the right to fly the Turkish Flag**

**ARTICLE 942**-(1) The ship loses its right to fly the Turkish Flag when one of the conditions stated in Article 940 and the second paragraph of Article 941 is eliminated. This situation shall be reported to the Ministry of Transport, Maritime Affairs and Communications without delay. The Undersecretariat may allow the ship to fly the Turkish Flag for a maximum of six months.

**IV- Proof of right**

**1. Ship certificate**

**ARTICLE 943**-(1) The ship's right to fly the Turkish Flag is proved by the ship's approval.

(2) The right to hoist the Turkish Flag cannot be exercised unless the ship's approval is received.

(3) The ship's certificate or a summary approved by the registry office or the flag certificate shall be kept on board at all times during the voyage.

**2. Flag certificate**

**ARTICLE 944**-(1) If a ship located outside of Turkey acquires the right to fly the Turkish Flag, the "flag certificate" to be issued by the Turkish consul at the location of the ship regarding the right to fly the Turkish Flag replaces the ship's certification. The flag certificate is valid only for one year from the day it is issued; If the trip is prolonged due to force majeure, the time will also be extended.

(2) The Ministry of Transport, Maritime Affairs and Communications may issue a flag certificate valid until the place of delivery to the ships built in Turkey which do not have the right to fly the Turkish Flag pursuant to Article 940.

(3) In cases written in the second paragraph of Article 941 and Article 942, the flag certificate is issued by the Ministry of Transport, Maritime Affairs and Communications, being valid for the permit period.

**3. Don't be exempt**

**ARTICLE 945**- (1) Ships smaller than eighteen gross tonnage and ships specified in subparagraph (a) of the second paragraph of Article 935 can fly the Turkish Flag without the need for a ship certification and flag certificate.

**C) Ship's mooring port**

**ARTICLE 946**- (1) The mooring port of a ship is the place where the voyages of that ship are managed.

**D) Penal provisions**

**I- Criminal acts**

**1. Illegal flag hoisting**

**ARTICLE 947**-(1) The captain of the ship that does not have the right to fly the Turkish Flag, or that flies the flag of another state while it should, is sentenced to imprisonment of up to six months or a judicial fine.

**2. Raising the flag without obtaining a certificate or certificate and keeping it on board**

**ARTICLE 948**-(1) Except for the ships mentioned in Article 945, the captain of the ship that hoists the Turkish Flag without obtaining the ship's certificate or its certified copy or the flag certificate is sentenced to imprisonment of up to four months or a judicial fine up to two hundred days.

(2) The captain who does not keep the ship certificate or its certified copy or the flag certificate on board is sentenced to imprisonment of up to two months or a judicial fine of up to one hundred days.

11183

**3. Not hoisting the flag in front of warships and fortifications and in the port**

**ARTICLE 949**-(1) A captain who fails to hoist a flag on a merchant ship while entering or leaving Turkish ports in front of warships and coastal fortifications, is sentenced to imprisonment of up to three months or a judicial fine.

**4. Failure to write the name of the ship and the mooring port**

**ARTICLE 950**- (1) The captain who does not comply with the obligation of duly writing his name on both sides of the side of a ship registered in the registry and the mooring port duly written on the stern, is sentenced to imprisonment of up to three months or a judicial fine.

**II- Common provisions**

**1. Defect**

**ARTICLE 951**-(1) In order to be sentenced for the offenses defined in Articles 947 to 950, the act must be committed intentionally.

**2. The place where the crime was committed and the nationality of the perpetrator**

**ARTICLE 952**-(1) The acts stipulated in Articles 947 and 948 are punished even if they are committed in a foreign country or on the open sea by a Turkish or foreigner.

**E) Regulation(1)**

**ARTICLE 953**-(1) How the ship certificate and the flag certificate will be arranged, how the name of the ship will be written on the ship and the way the provisions of this Section will be implemented are determined by the regulation issued by the President.(1)

**THIRD PART**

**Ship Registry**

**A) General provisions**

**I- Registry offices and regions**

**ARTICLE 954**-(1) For Turkish ships, a ship registry is kept in places deemed appropriate by the Ministry of Transport, Maritime Affairs and Communications.

(2) Ship registers are kept under the supervision of the commercial court of first instance, which is responsible for dealing with maritime trade, by the registry offices operating at the port authority; If there is more than one court dealing with commercial cases in a place, the Supreme Council of Judges and Prosecutors determines the court that will oversee the keeping of the ship registry, upon the recommendation of the Ministry of Justice.

(3) Article 1007 of the Turkish Civil Code is also valid for ship registrations.

**II- Authorized registry office**

**ARTICLE 955**- (1) The ship is registered by the registry office to which the mooring port is subject.

(2) If the voyages of a ship are managed from a foreign port or a land city or from the ship itself, the owner may register his ship in the registry of any place he wishes.

(3) If the owner does not have a residence or commercial enterprise in Turkey, he must show a representative residing in that region to the registry office in order to exercise the rights and fulfill the duties written in this Law.

**III- Registered vessels**

**ARTICLE 956**-(1) Merchant ships that have the right to fly the Turkish Flag in accordance with Article 940 and ships written in sub-paragraphs (a) and (c) of the second paragraph of Article 935 are registered in the ship registry.

*-------------------*

*(1) With Article 2 of the Decree-Law dated 7/2018/700 and numbered 192, the title of this article is “E) Regulations” and the phrase “a statute” in the first paragraph has been changed to “the regulation issued by the President”.*

11184

**IV- Ships whose registration is required**

**ARTICLE 957**- (1) The owner of each merchant ship of eighteen gross tonnage and larger must make a request for registration.

**V- Non-registered vessels**

**ARTICLE 958**- (1) Ships that are not Turkish ships, Turkish ships registered with a foreign ship registry, warships attached to the navy, auxiliary ships and ships dedicated to performing a public service exclusively belonging to the State, special provincial administration, municipality and village and other public legal entities. It cannot be registered in the registry.

**B) Registration of the ship**

**I- Request**

**1. Shape**

**ARTICLE 959**- (1) The ship is registered in the ship registry only upon the request of the owner or one of the owners.

(2) The request is made by petition.

**2. Content**

**ARTICLE 960**-(1) The following matters are notified together with the registration request:

a) Name of the ship.

b) The type and the main material used in its construction.

c) The mooring port.

d) If possible to determine, the place where it was made and the year it was dismounted.

e) Official measurement results and machine power.

f) Owner of the ship;

1. If it is a real person, name and surname, TR identity number, trade name, if any, and the trade registry office and registration number where it is registered.

2. If it is a commercial company, the type of company, trade name and the trade registry office where it is registered and its registration number.

3. If it is from other legal entities, its name and headquarters.

4. If it is a subsidiary of armament, if it has the title of merchant, the trade name and the names and surnames of the shareholders, the Turkish identity number, if any, and the amount of the ship's shares, and the name and surname of the ship manager, if any, and the TR identity number.

g) Reason for acquisition.

h) The reasons that form the basis of the right to fly the Turkish Flag.

i) Name, surname, TR identity number and address of the representative as written in the third paragraph of Article 955.

**3. Documentation**

**a) in general**

**ARTICLE 961**-(1) It is obligatory to understand that the accuracy of the statements pertaining to machine power and the points written in sub-paragraphs (c), (d), (f) and (g) of the first paragraph of Article 960 are highly probable, and the facts on which the right to hoist the flag are based and the measurement results must be documented.

(2) If the ship has not yet been officially measured in the country, it is sufficient to submit the document regarding the measurement made outside of Turkey or another approved document to replace the survey certificate.

11185

(3) If the ship is built wholly or partially in the country, it is obligatory to submit a document to be obtained from the construction site registry office regarding whether it is registered in the registry specific to ships under construction.

**b) For ships registered in foreign registry**

**ARTICLE 962**-(1) In order for a Turkish ship, which was previously registered to a foreign ship registry, to be registered in the Turkish Ship Registry, documents showing that it is no longer registered to the foreign ship registry must be submitted to the registry office.

(2) If a ship whose registration is required is registered in a foreign ship registry, the owner must cancel this registration and certify the situation; In case of impossibility, it can be waived.

**II- Registration**

**1. Matters to be registered**

**ARTICLE 963**-(1) In the registration of a ship, the quality of the document proving the measurement with the points written in subparagraphs (a) to (g) and (i) of the first paragraph of Article 960, the day the ship was registered and the registration number are recorded in the registry. The nationality of the owner or owners of the ship, if the ship belongs to a trade company, other legal entity or armament affiliate, that it has the necessary qualifications to be considered a Turkish ship is also recorded in the registry. The registration is signed by the authorized registrar.

(2) If a person objects to the ownership of the person requesting registration by claiming that he is the owner, before the ship is registered, an annotation is given to the registry in favor of the objector, although the ship is registered.

(3) If the ship is registered in the registry specific to ships under construction, the ship mortgages registered in that registry are registered ex officio in the ship registry, provided that their degrees are reserved. The registration of the ship is notified to the officer who keeps the registry specific to the ships under construction.

**2. Changes**

**ARTICLE 964**-(1) Changes in the matters registered in the ship registry must be notified to the registry directorate with a petition to be registered.

(2) In accordance with the first paragraph of Article 941, the registry directorate is notified for how long the ship, which is allowed to fly another flag instead of the Turkish Flag, cannot fly the Turkish Flag, and this issue is registered. If the permission expires or is withdrawn, this fact is also registered.

(3) If the ship sinks beyond being salvageable or becomes unable to be repaired, or if it loses its right to fly the Turkish Flag for any reason, these issues must also be reported to the registry office without delay.

(4) The requests to be made in accordance with the first to third paragraphs are also obliged to be made by the ship owner and the ship manager in the armament subsidiary. If there is more than one request, the request of one of them is sufficient. If the owner is a legal entity represented by more than one person, the same principle applies.

(5) Articles 960, 961 and 963 are applied to the registration of the amendment to the extent that they comply with their qualifications.

11186

**C) Deletion**

**I- On request**

**ARTICLE 965**-(1) If the ship sinks beyond being salvageable or becomes unable to be repaired, or loses its right to fly the Turkish Flag for any reason, its registration is deleted from the registry upon request. The registration of ships whose registration is optional is deleted from the registry upon the request of the owner or owners.

(2) When the registration of the ship is requested to be deleted due to the fact that the ship has become unrepairable, the registrar invites the registered ship mortgage creditors to inform them of the situation with an announcement to be made in accordance with the procedure written in Article 966, when necessary, and to notify them of their objections within a suitable period to be determined. Upon the finalization of the court's decision that the objections notified in due time were not deemed appropriate, the ship's registration is deleted.

(3) If the ship loses its right to fly the Turkish Flag, its registration can be deleted from the registry only with the approval of the mortgage creditors and third parties who have the right on the mortgage according to the records and documents in the ship registry. registered in the ship register. This registration is in the form of deregistration of the ship, unless there are registered ship mortgages on the ship. In so far, if the ship is sold to a person who does not have the qualifications specified in Article 940, the provisions of the second paragraph of the article 1388, and if the enforcement took place abroad, the second and third sentences of the first paragraph of the article 1350 are reserved.

(4) In order for the records of optionally registered ships to be deleted only upon the request of their owners, the mortgagee creditors and third parties who have a right on the mortgage according to the content of the ship registry must approve this.

**II- Ex officio**

**1. General terms**

**ARTICLE 966**- (1) If a ship whose registration is not permissible due to the absence of one of its essential conditions is registered or if one of the situations written in the third paragraph of Article 964 is not notified to the registry directorate, the provision of Article 33 shall apply. In so far, it is necessary to notify the other right holders registered in the registry. If the identity of the owner and other right holders or their place of residence is not known, the call for deletion and the specified period are announced in the Turkish Trade Registry Gazette, in another newspaper deemed appropriate, and on the company's website, if any, and the announcement document is posted in the registry office and the court divan.

(2) The ship's registration can be deleted from the registry only if the reasons for avoidance and objection are not notified in due time, or if the court's decision that they were not seen in place becomes final. If a mortgagee objects to the deletion of a ship that has lost its right to fly the Turkish Flag, claiming that the ship's mortgage still exists, the record is not deleted and only the ship's loss of the right to fly the Turkish Flag is registered.

**2. Special circumstances**

**ARTICLE 967**- (1) No registration has been made about a registered ship for twenty years and if, according to the information received from the Ministry of Transport, Maritime Affairs and Communications, it is concluded that the ship is no longer in existence or that it cannot be used in maritime affairs, the mortgage or usufruct right has not been registered on the ship. Upon the recommendation of the registrar, the court decides to delete the ship's registration without the need for the procedure written in Article 966.

11187

**D) Ship certificate**

**I- Content**

**ARTICLE 968**- (1) Registry directorate issues a ship certification that the ship is registered in the registry. Registry records are passed on to the certificate exactly and completely.

(2) In the ship certificate, it is also shown that the documents required for the registration of the ship have been submitted and that he has the right to fly the Turkish Flag.

(3) Upon his request, a certified summary of the ship's certification is given to the ship owner. In this summary, it is written that the ship has the right to fly the Turkish Flag only with the points written in subparagraphs (a) to (f) of the first paragraph of Article 960.

**II- Reorganization**

**ARTICLE 969**- (1) In order for a new ship certification to be issued, the old one must be presented or it must be convincingly demonstrated that it has been lost. The same provision applies to the certified summary of the ship's certificate.

(2) If the ship is in a foreign country, the registry office sends the new certificate to the local Turkish authorities to be given to the master in return for the return of the old one.

**III- Changes**

**ARTICLE 970**- (1) Every record entered in the ship registry is also written on the ship certification without delay. This provision does not apply to registrations relating to the limitation of transfer of a ship's share.

**IV- Obligation to present**

**ARTICLE 971**- (1) Those who are obliged to request the change in case of changes in the matters registered in the ship registry, in case of the transfer of ownership of the ship or the acquisition of a ship's share, are obliged to submit the ship's certification and its approved summary, if any, to the registry office. As long as the ship is at the mooring port or the port where the registry office is located, the captain is also obliged to make a request.

(2) In the cases written in the first and third paragraphs of Article 965, the ship's approval and the summary, if any, are withdrawn and cancelled.

**E) Invitation to carry out the registration procedures**

**ARTICLE 972**- (1) Persons who are obliged to request the registration of a matter in the ship's registry, to change or delete the registration or to submit the necessary documents for the execution of these transactions, if they fail to fulfill their obligations within fifteen days after learning about the issues requiring these transactions, the provision of Article 33 shall apply to them.

(2) The provision of Article 966 regarding ex officio deletion is reserved.

**F) Provisions**

**I- Clarity of registry**

**ARTICLE 973**-(1) Ship registry is open. Anyone can examine their registry records and take approved or unapproved samples, provided that they pay the expense.

(2) A person who convincingly demonstrates that he has a justified interest is authorized to examine the registry files, the documents referred to in the ship registry for the completion of a registration, and the registration requests that have not yet been concluded, and take samples of them.

11188

**II- Presumptions of registry**

**ARTICLE 974**- (1) The person registered as the owner in the ship registry is considered the owner of the ship.

(2) The person for whom a ship mortgage or a right on the mortgage or a usufruct right has been registered in the ship registry is deemed to be the owner of that right.

(3) If a registered right is deleted from the registry, it is deemed that that right no longer exists.

(4) The provision of the second paragraph of Article 992 of the Turkish Civil Code is reserved.

**III- Bringing the registry into compliance with the real legal situation**

**ARTICLE 975**-(1) The content of the ship registry; If the property does not comply with the actual legal situation in terms of a ship mortgage, a right on a mortgage, a usufruct right or a limitation of disposition of the type written in the second sentence of the first paragraph of Article 983, the right is violated as a result of the registration of a right or limitation whose right has not been registered or has been incorrectly registered or which does not exist. the person whose right will be violated as a result of the change may request his/her consent to the change of the record.

(2) If the ship registry can only be changed after the right of the person liable in accordance with the first paragraph has been registered, this person has to register his right upon request.

(3) The right to request the change written in the first and second paragraphs shall not be time-barred.

**IV- Objections**

**ARTICLE 976**-(1) An objection can be filed with the ship registry about the inaccuracy of the registry record in cases written in Article 975.

 (2) The objection is registered on the basis of an interim injunction or the approval of the person whose right will be damaged as a result of the change in the registry. Approximate proof that the right is in danger is not required in the issuance of an interim injunction decision.

**V- Commentaries**

**1. Circumstances in which they can be given**

**ARTICLE 977**-(1) An annotation may be filed in the ship registry in order to secure the right to request the establishment or removal of a right on a ship or ship's mortgage or to change the content or degree of such a right. It is possible to make an annotation to the ship registry in order to secure a future or conditional claim right.

(2) Dispositions to be made on the ship or mortgage after the annotation are not valid to the extent that they violate the right guaranteed by the annotation. This is also the case in cases where the savings are made by forceful execution or precautionary attachment or by the bankruptcy administration.

(3) The date of the annotation is taken as a basis in determining the degree of the right guaranteed by the annotation.

(4) To the extent that the right is secured by annotation, the heir of the obligor cannot claim that his liability is limited.

**2. Giving**

**ARTICLE 978**-(1) An annotation is given based on an injunction or the approval of the person whose ship or right is restricted as a result of the annotation. Approximate proof that the right is in danger is not required in the issuance of an interim injunction decision.

11189

**3. The right it confers**

**ARTICLE 979**-(1) If the acquisition of the property, the ship's mortgage or the right on the mortgage or a usufruct right is invalid against the person to whom the annotation is given, the owner of the annotation may request from the acquirer to approve the registration or deletion necessary for the realization of the right of claim secured by the annotation.

(2) In case the right of request is guaranteed by a transfer ban, the provision of the first paragraph is applied.

**4. Disqualification**

**ARTICLE 980**-(1) If the creditor whose right to claim is secured by an annotation to the registry is not identified and the conditions specified in Article 1052 for the cancellation of the right of a ship mortgage creditor are met, the creditor can be called through an announcement and the right to be canceled can be decided. With the decision to annul, the annotation also becomes invalid.

**5. Deletion**

**ARTICLE 981**-(1) If the person whose ship or right is restricted as a result of the annotation has a defense that makes it permanently impossible to assert the right of claim secured by the annotation, he may request the deletion of the annotation from the creditor.

**VI- Withdrawal of objection or annotation**

**ARTICLE 982**-(1) If the objection or annotation has been registered based on an interim injunction, the objection or annotation is also lifted when the measure is lifted or dropped.

**VII- The principle of trust in the registry**

**ARTICLE 983**- (1) In favor of the person who acquires the ownership of a ship, usufruct right, ship mortgage or a right on the mortgage through a legal transaction, the content of the ship registry is considered correct to the extent that it relates to these rights; unless the acquirer knew or ought to have known that the record was not correct. If the right holder's power of disposition on a registered right is limited in favor of a certain person, this limitation shall only apply to the acquirer on the condition that it is written in the ship's registry or he knows or should know that his registry is not correct.

(2) In cases where registration is necessary for the acquisition of the right, the registration request date is the original in order to know that the registration is not correct.

(3) The provisions of the first and second paragraphs are also applied in cases where an action is taken against a person whose right has been registered in the ship registry due to this right, or if this person makes a disposition with a third person on a right registered in the registry other than the ones listed in the first paragraph.

**G) Timeout**

**ARTICLE 984**-(1) Claim rights arising from registered real rights are not subject to statute of limitations as long as the registration continues. Claims regarding the payment of compensation with the accumulated acts that have to be performed at a certain time are the exception to this.

(2) Rights that are the subject of an objection registered in the registry are also the rights registered in the registry.

(3) The registration of the ship mortgage prevents the statute of limitations on the receivable.

**H) Registration expenses**

**ARTICLE 985**– (1) Unless otherwise agreed, the registration expenses related to the transfer of ownership on the ship or the ship's share or the establishment or transfer of another real right, including the necessary bill and document expenses, belong to the acquirer of the right.

11190

(2) Unless otherwise understood from the legal relationship between him and the obligee, the person requesting the change of a record bears the expenses of the amendment and the necessary declarations.

**i) Registry specific to ships under construction**

**I- in general**

**ARTICLE 986**- (1) A ship under construction, in case an annotation is made to the registry in order to secure the claim of the shipyard owner for the establishment of a ship mortgage on the structure or the precautionary or final seizure of the structure, or upon the request of the owner, for the establishment of the ship mortgage. registered in the registry.

(2) The building is registered by the registry office to which the place of construction is affiliated. Even if the building is taken to another place outside the jurisdiction of this registry office, the same registry office remains authorized. In so far, this directorate informs the registry directorate at the new construction site that the building has been registered.

**II- Registration of the building**

**1. Registration prompt**

**a) Shape**

**ARTICLE 987**- (1) The structure is registered in the registry specific to ships under construction with the petition of the owner or the shipyard owner who wishes to register the legal mortgage right.

(2) The creditor, who has taken a precautionary or executive attachment decision, may also request the registration of the structure to the registry with the letter of the executive director.

**b) Content**

**ARTICLE 988-**(1) The following matters are notified together with the registration request:

a) The type, name or number of the ship under construction, or any sign that can be used to distinguish it.

b) The place of construction and the shipyard where the ship was built.

c) Maliki.

(2) In the second paragraph of Article 1054, it is proved with a document to be given by the authorized ship measurement institution that the conditions required for the establishment of a ship mortgage on the structure are met.

**2. Registration**

**a) Matters to be registered**

**ARTICLE 989**-(1) In the registration of a building, the issues written in the first paragraph of Article 988, the quality of the document written in the second paragraph and the day the building is registered are registered. The record is signed by the authorized officer.

**b) Changes**

**ARTICLE 990**- (1) The owner of the structure or the owner of the shipyard where the ship was built must notify the registry office without delay with a registration petition to be registered, of the changes in the registered matters and the completion of the ship's construction. If there is more than one request, one of them is sufficient. If the owner is a legal person represented by more than one person, the same principle applies. The matters reported to the registry must be documented. The provision of article 972 is also applied here.

11191

(2) After the completion of the ship's construction or the document written in the third paragraph of Article 961 of the Law, a ship mortgage can no longer be registered in the registry specific to ships under construction.

**c) Provisions**

**ARTICLE 991**-(1) Articles 954 and 973 of the Law shall apply to the registry specific to ships under construction. In so far, the person who wants to examine the basis of the registry pages and registry records and to take samples must prove their interest.

(2) The person for whom a mortgage right has been registered in the ship-specific registry in case of construction is deemed to be the creditor of the building mortgage. If a building mortgage is deleted from the registry, it is considered not to exist.

(3) Articles 977 and 983 to 985 of the Law are also applied to the registry specific to ships under construction.

**d) Deletion**

**ARTICLE 992**-(1) Registration of the building in the register;

a) Notification that the ship has been delivered to a foreign country by the shipyard owner,

b) The owner of the building and the owner of the shipyard where the ship was built request that the record be deleted from the registry,

c) The building is destroyed,

cases are deleted.

(2) If there is a mortgage on the building, the consent of the mortgaged creditor and other registered right holders for the deletion of the record from the registry is also required, in cases written in sub-paragraphs (a) and (b) of the first paragraph.

(3) In the event that the building is not completed and the ship is delivered to a foreign country or that it is wrecked, the record of the building is deleted ex officio in accordance with the procedure in Article 966.

**J) Objection to the decisions of the registry office**

**ARTICLE 993**-(1) Objections can be made to the decisions of the registry office in accordance with Article 34 of the Law.

**K) Regulation(1)**

**ARTICLE 994**-(1) Complementary provisions regarding the establishment of the ship registry and how it will be kept, the qualifications required of its managers and officers, how the legal relations will be documented and registered, and the correction, modification and deletion of the records are determined by the regulation issued by the President.(1)

**L) Turkish International Ship Registry**

**ARTICLE 995**-(1) Provisions regarding “Turkish International Ship Registry” are reserved.

SECTION FOUR - Property and Other Real Rights

**FIRST SECTION – Applicable Provisions**

**A) Ships registered in the registry**

**ARTICLE 996**-(1) Unless the law provides otherwise, the provisions of this Section are only applicable to ships registered in the Turkish Ship Registry.

**B) Ships not registered in the registry**

**ARTICLE 997**-(1) The provisions of the Turkish Civil Code regarding movables are applied to the ownership and limited real rights on Turkish ships that are not registered in the Turkish Ship Registry.

(2) In the case of the transfer of the ship or its share, each of the parties may request that an official or notarized deed regarding the transfer be given to it, provided that it covers the expenses.

**SECOND SEPARATION – Ownership**

**A) Acquisition**

**I- Originally acquired**

**1. Possession**

**ARTICLE 998**-(1) Only the State has the right to own an unclaimed ship. An ownerless ship is a ship whose owner cannot be identified from the registry records or whose ownership has been duly abandoned.

(2) The State acquires the ownership on the ship by registering itself as an owner in the ship registry.

**2. Ordinary statute of limitations**

**ARTICLE 999**-(1) A person who is registered as an owner of a ship registered in the ship registry, although he is not the owner of the ship, acquires the ownership of the ship, provided that the registration lasts for at least five years and he holds the ship in the capacity of principal possession without any lawsuit and uninterruptedness during this period. This period begins to run from the date the non-owner is registered in the registry. The calculation, interruption and suspension of the period are subject to the provisions of the Turkish Code of Obligations regarding the statute of limitations. If an objection is registered that the registration in the ship registry is not correct, the statute of limitations does not run as long as the objection is registered.

(2) Upon the fulfillment of the conditions stipulated for the statute of limitations, the person appearing as the owner of the ship in the registry acquires its ownership.

**3. Extraordinary statute of limitations**

**ARTICLE 1000**-(1) A person who has held a ship, whose registration was not required but as primary possession for at least ten years, without a lawsuit and uninterruptedly, may request that the ship be registered in the registry as his own property.

(2) The person who owns a ship registered in the name of a person who has died at least ten years ago or whose disappearance has been decided, and for which no matter has been registered for ten years that is subject to the approval of the owner, may also request that the ship be registered as the owner of that ship, under the conditions stated in the first paragraph. The calculation, interruption and suspension of the possession period are subject to the provisions of the Turkish Code of Obligations regarding the statute of limitations.

(3) Registration is only possible with a court decision. The registration case is filed against the registry office where the ship is or should be registered. The court invites the concerned parties to declare their objections, with a maximum period of three months, through an advertisement to be made in a newspaper with a circulation of more than fifty thousand and distributed throughout the country. If there is no objection or the objection is rejected, the registration is decided.

(4) Before the registration decision is made, if a third party is registered as owner or if an objection annotation is given to the registry stating that the ship registry is not correct due to the ownership of the third party, the registration decision shall not have any effect on the third person.

11193

(5) The primary possession acquires the ownership of the ship as soon as it registers itself on the basis of the registration decision given by the court.

**II- Acquisition of the transferee**

**1. The shape of the cycle**

**ARTICLE 1001**-(1) For the transfer of a ship registered in the ship registry, the owner and the acquirer must agree on the transfer of ownership to the acquirer and the possession of the ship must be passed.

(2) The agreement regarding the transfer of property must be made in writing and the signatures must be notarized. This agreement can also be made at the ship registry office.

(3) The provision of the third paragraph of Article 11 is reserved.

**2. Scope of the transfer**

**ARTICLE 1002**-(1) Unless otherwise agreed by the parties, the acquirer acquires the ownership of the add-on existing at the time of the acquisition and belonging to the transferor, together with the ownership of the ship.

(2) If, as a result of the transfer, the attachment that does not belong to the transferor or is limited by the rights of third parties becomes the possession of the acquirer, articles 763, 988, 989 and 991 of the Turkish Civil Code shall apply. Regarding the goodwill of the acquirer, the moment he acquires the possession is taken as a basis.

(3) If the ship is transferred while on a voyage, the profit and loss of this voyage in the relations between the transferor and the acquirer shall belong to the acquirer unless there is a contrary agreement.

**B) loss**

**I**-**loss of ship**

**ARTICLE 1003**- (1) The right of ownership over the ship ends when a ship registered in the registry is lost due to reasons such as sinking, being wrecked without leaving any usable wreckage, exploding or being destroyed. So far, the owner; The movable property on the usable debris and its obligations and debts regarding the removal of all kinds of debris, the protection of the environment and similar issues continue.

**II- Abandonment**

**ARTICLE 1004**– (1) The owner of a ship registered in the registry may abandon the ownership of the ship by notifying the registry office that he has renounced his ownership right on the ship and having it registered in the ship registry.

**III- Timeout**

**ARTICLE 1005**- (1) The previous owner's right of ownership terminates with the fulfillment of the ordinary statute of limitations in favor of the original owner of the ship.

(2) Ownership of the previous owner ends with the decision to register as a result of the registration lawsuit filed by the owner of the ship in the capacity of primary possession during the extraordinary statute of limitations, pursuant to the third paragraph of Article 1000.

**C) Ownership over the registered ship share and participation share**

**I- Acquisition**

**1. Originally**

**ARTICLE 1006**-(1) The original acquisition of the ownership on the registered ship share or participation share is subject to the provisions regarding the registered ships.

11194

**2. Transfer**

**a) By transfer**

**ARTICLE 1007**- (1) Ownership of the ship's share registered in the registry passes to the transferee upon the agreement of the owner and the acquirer on this matter. The agreement must be made in writing and the signatures must be notarized. This agreement can also be made at the ship registry office.

(2) Each of the shareholder owners in the donning subsidiary can transfer their share of participation to another person at any time, in whole or in part, without the approval of the other stakeholders. The transfer of the share of participation on the registered ship is made by the transfer of the share of the ship and its registration in the registry.

(3) If the ship loses its right to fly the Turkish Flag as a result of the transfer of the ship's share or participation share, the transfer will only be valid with the approval of all stakeholders or shareholder owners.

(4) If the ship's share is transferred while the ship is on the voyage, the scope of the transfer is determined according to the third paragraph of Article 1002.

**b) By abandoning the participation share**

**ARTICLE 1008**- (1) If a decision is made in a armament participation to have the ship repaired at the end of a new voyage or at the end of a voyage or to pay the receivables of a ship for which the armament participation is responsible, each of the shareholder shipowners who do not participate in the decision shall be obliged to fulfill the decision by leaving their share without asking for any compensation. avoid making the necessary payments.

(2) The shareholder owner who wishes to exercise this right has to notify the shareholder owner or the ship manager, through a notary public, within three days from the date of the decision, if he or his representative were not present when the decision was made.

(3) The ownership right on the left participation share is transferred to the other shareholder owners to the extent of the participation shares with a quit notice to be made in accordance with the second paragraph.

**II- Loss**

**ARTICLE 1009**-(1) The loss of ownership on the registered ship share and participation share is subject to the provisions of the loss of ownership regarding the registered ships.

(2) In case the subsidiary share is left in accordance with Article 1008, the ownership right of the shareholder owner on the participation share expires at the moment the duly made quit notice is sent.

**D) Ownership of ships under construction and building shares**

**I- Structures and building shares that are not registered in the registry specific to ships under construction**

**ARTICLE 1010**-(1) The acquisition and loss of ownership on unregistered structures and building shares specific to ships under construction are subject to the provisions regarding the acquisition and loss of ownership on unregistered ships and ship shares.

**II- Structures and building shares registered in the registry specific to ships under construction**

**ARTICLE 1011-**(1) The acquisition and loss of ownership on registered structures and building shares specific to ships under construction are subject to the provisions regarding the acquisition and loss of ownership on registered ships and ship shares.

**THIRD SECTION – Ship Pledge**

**A) Pledge of participation share on ships not registered in the registry**

**ARTICLE 1012**-(1) In the event that a ship not registered in the registry is operated by a navy subsidiary, the pledge of each shareholder's share is subject to the provisions of the Turkish Civil Code regarding pledges on receivables and other rights.

**B) Pledge of registered ships**

**I- Mortgage right of the shipyard owner**

**ARTICLE 1013**- (1) The shipyard owner has the right to request the registration of a mortgage on that structure or ship for his receivables arising from the construction and repair of the ship. No prior waiver of this right applies.

(2) Articles 895 to 897 of the Turkish Civil Code shall apply to the establishment of this mortgage.

(3) In order to secure the right to claim for the establishment of a ship mortgage, an annotation can be given to the ship or building registry. If the construction or repair of the ship has not yet been completed, it may be requested to establish a security mortgage for a part of the price that covers the completed work and for the expenses not covered by the price.

**II- Ship mortgage**

**1. Attribute**

**ARTICLE 1014**-(1) Mortgage may be established on the ship to secure a receivable. The ship mortgage authorizes the creditor to take the receivable from the price of the ship. The contractual pledge of the registered ships is provided only by means of a ship mortgage. A mortgage can also be established for a receivable that may arise in the future or is dependent on contingent or valuable instruments.

(2) The right of the creditors arising from the ship mortgage is determined only according to the claim.

(3) The share of a ship can only be limited by a ship mortgage, provided that it consists of the share of one of the shareholders who own the ship on the basis of shared ownership.

(4) As long as all the shares of a ship are in the hands of an owner, a ship mortgage cannot be established on separate shares for different persons.

**2. Establishment**

**ARTICLE 1015**- (1) In order to establish a ship mortgage, the owner of the ship and the creditor must agree on the establishment of a mortgage on the ship and the mortgage must be registered in the ship registry.

(2) Agreements regarding the establishment of the mortgage must be made in writing and their signatures must be notarized. This agreement can also be made at the ship registry office. The agreement on the establishment of the mortgage will not be valid unless it is made in accordance with one of these forms.

(3) If the agreement is made in accordance with the Law before the registration, or if the owner has informed the creditor that he has approved the registration in accordance with the Ship Registry Regulation, or if a registration petition has been submitted to the registry directorate, the relevant persons cannot avoid registration.

(4) The subsequent restriction of the owner's capacity to save does not invalidate the approval of the registration or the request for registration.

(5) For ships that have been acquired in a foreign country and have not yet been registered with the Turkish Ship Registry or the Turkish International Ship Registry, an annotation on the flag certificate is like registration. At the registration of the ship, such mortgages are registered ex officio.

11196

(6) It is sufficient for the owner to make a declaration to the registry office and to be registered in the registry for the establishment of a ship mortgage in order to secure the receivable attached to a bearer bond.

**3. Matters to be recorded**

**ARTICLE 1016**-(1) In the registration of the ship mortgage, the name and surname or title of the creditor and the amount of the receivable in Turkish Lira, the Turkish Lira equivalent of this in non-monetary receivables, the interest rate if the receivable has interest, if other secondary acts are accepted, their amount in the currency in which the amount of the receivable is determined, and the amount of the mortgage. the degree is registered in the register; The amount secured by each degree is shown in the currency in which the pledged receivable is determined. The registration request can be referred to in other matters that help determine the right and the content of the claim.

(2) The amount of receivables and secondary debts to be covered by the mortgaged ship in debts to be paid in Turkish Lira can be determined by the gold or foreign currency measure.

(3) If the amount of the receivable is uncertain or variable, the upper limit of the amount of the receivable to be secured by the mortgage is determined and registered in the ship registry in order to determine the actual amount in time; If the receivable has interest, its interest is also considered within the scope of the upper limit.

(4) Ship mortgages can be established in foreign currency. In this case, the foreign exchange buying rate of the Central Bank of the Republic of Turkey on the accounting day shall be taken as basis in the calculation of the foreign currency or Turkish currency equivalents. The foreign currency in which the pledge rights can be established is determined by the Undersecretariat of Treasury. A ship mortgage cannot be established using more than one currency type at the same level.

(5) In case the rank of the pledge established in foreign currency becomes vacant, a pledge may be established in Turkish currency or foreign currency equivalent on the date of registration. In the event that the rank of a pledge established in Turkish currency becomes vacant, a pledge may be established in the foreign currency equivalent on the date of registration.

(6) If a ship mortgage is to be established in order to secure a debt-linked debt, if the mortgage is to be established for the entire debt, by showing the number of bonds, the price of each bond and their distinguishing signs, in favor of the representative acting on behalf of the debtor and all of the creditors, instead of the creditor. ; If the mortgage is to be established for an enterprise that undertakes the issuance of bonds, a right of pledge is also registered on the ship mortgage in favor of bond holders.

(7) In the establishment of a ship mortgage in order to secure the receivables arising from a policy or a bearer note or another deed transferable by endorsement, making certain savings on the ship mortgage in favor of and against those who subsequently acquire the receivable, and the creditor in the proceedings for the conversion of the mortgage into cash. The representative that can be determined to represent must also be registered in the registry. Reference may be made to the registration request regarding the powers of this representative.

**4. Degree of mortgage**

**ARTICLE 1017**-(1) Grades of mortgages on the ship are determined according to the provisions of the Turkish Civil Code on immovable pledge.

**5. The receivable secured by the mortgage**

**a) in general**

**ARTICLE 1018**-(1) The mortgaged ship provides collateral for the receivables stipulated in the first paragraph of Article 875 and Article 876 of the Turkish Civil Code.

11197

(2) In order for the debt to become due upon the notice of the creditor, the owner must be notified together with the debtor. Unless a notice is given to the owner, the debt is not due for him. If the debt is due to the owner, the mortgage also covers the default interest.

**b) Interests**

**ARTICLE 1019**-(1) If the receivable is interest-free or the interest rate is lower than the rate determined in the provision regulating the minimum legal interest rate valid at that time, the mortgage can be extended to include this legal interest without the need for the approval of the right holders of equal degrees or successors.

(2) The approval of these right holders is not required for changes to be made at the time and place of payment of the interest.

**6. Scope of the mortgage**

**a) Ship, ship's share, complementary parts, add-ons, sale or expropriation value replacing the ship and compensation claims**

**ARTICLE 1020**-(1) Articles 862 and 863 of the Turkish Civil Code apply to the scope of the mortgage.

(2) If the add-ons are removed from this status as a requirement of a normal business or transferred and removed from the ship before being seized in favor of the creditor, the mortgage no longer covers them.

(3) If the integral parts are removed from the ship and not for a temporary purpose, the mortgage does not cover them; unless the ship was seized in favor of the creditor before it was removed.

(4) The cost of the expropriated ship and the compensation claims of the owner of the ship against third parties due to the loss or damage of the ship are within the scope of the mortgage.

**b) Share of more than one ship or ship in a ship mortgage**

**ARTICLE 1021**-(1) If more than one ship or ship's share is mortgaged for a receivable, each of them is responsible for the entire debt.

(2) The creditor may divide his receivables among the ships or shares only to be responsible for a certain part of each ship or share. The allocation takes place with the declaration and registration to be made to the registry office. If there are people who have rights on the mortgage together, their approval is also required.

**c) Insurance compensation**

**AA)** **Kural**

**ARTICLE 1022**-(1) In case the owner's interest is insured by the owner or someone else in his favor regarding the matters covered by the ship's mortgage, the mortgage also covers the insurance indemnity.

(2) Mortgage secures the money spent by the creditor and the interests thereof for the fulfillment of insurance premiums or other payments required to be made to the insurer pursuant to the insurance contract.

11198

(3) Without prejudice to the following provisions, the provisions of the Turkish Civil Code regarding pledged receivables and other rights are also applied here; The insurer cannot claim that he does not know about the mortgage registered in the ship registry. However, if the insurer or the policyholder has notified the creditor that the loss has occurred and two weeks have passed since the notification, the insurer is also relieved of its liability against the creditor by paying the indemnity to the insured. This can be avoided if the notification is extremely difficult to do. In this case, the period starts to run from the date the compensation is due. Until the deadline expires, the creditor may object to the payment against the insurer.

**bb) Payments to be made by the insurer**

**ARTICLE 1023**-(1) If the insurer has made a payment to be counted towards the indemnity cost of the owner for the purpose of restoring the ship to its previous condition or giving it to the ship's creditors, and the achievement of these purposes is secured, the payment shall also be valid against the mortgaged creditor.

(2) If the ship is restored to its previous condition or new add-on parts are put in place, the liability of the insurer to mortgage creditors ceases. In the event that the debts of the owner, which form the basis of a ship's creditor right, are paid, the payment to be made by the insurer to the owner only relieves the insurer from liability to the mortgaged creditor in proportion to the value of the elements that constitute the guarantee of the ship's creditor right, immediately after the occurrence of the risk.

**cc) Notification of the ship mortgage to the insurer**

**aa) My notification burden**

**ARTICLE 1024**-(1) If the mortgagee has notified the mortgagee to the insurer, if the insurance premium is not paid on time and therefore a payment period is determined for the policyholder, the insurer must notify the creditor without delay. The same provision is valid for the termination of the insurance contract at the end of the period due to non-payment of the insurance premium.

(2) In the event that the insurance contract expires prematurely due to notice of termination, withdrawal or any other reason, the insurer must notify the mortgagee that the insurance contract has expired or, if not, the expiration date. The reasons requiring the expiry of the insurance contract about the mortgagee before the expiry of the insurance contract are valid only two weeks after this notification or the date the mortgagee learns about them in any way.

(3) In case the insurance contract is terminated due to non-payment of the insurance premium on time or terminated due to the bankruptcy of the insurer, the provisions of the second paragraph shall not apply.

(4) If the insurer makes an agreement with the policyholder that reduces the insurance cost or narrows the scope of the danger for which the insurer is responsible, the provision of the first sentence of the second paragraph is applied by analogy.

(5) If the insurance contract is invalid due to the fact that the insured has been formed with the intention of obtaining an unfair surplus in the assets of the insured due to excess or double insurance, the insurer cannot claim invalidity against the mortgaged creditor who has notified the ship's mortgage. However, two weeks pass after the insurer notifies the mortgagee of the invalidity or the creditor learns about it in any way, and the insurance relationship ends against the mortgaged creditor.

11199

**bbb) In the presence of more than one insurer**

**ARTICLE 1025**-(1) If the ship is jointly insured by more than one insurer, in accordance with Article 1024, it is sufficient to notify the insurer of the mortgage indicated to the creditor by the owner. Jeran insurer is obliged to notify other insurers of the situation.

**ccc) Change of the mortgagee's place of residence**

**ARTICLE 1026**-(1) If the mortgagee changes his place of residence and does not notify the insurer, the notifications to be made to him in accordance with Article 1024 shall be sent to the last address known by the insurer. In the event that the mortgagee has not changed his place of residence, the notification shall take effect from the date on which it would have been received, if it had been made through a communication tool that provides regular service.

**dd) Getting rid of the insurer's debt**

**ARTICLE 1027**-(1) Even if the insurer is freed from its obligation to pay compensation due to the act of the insured or the insured, its debt to the mortgagee continues to exist. The same provision is also valid if the insurer withdraws from the contract after the realization of the risk.

(2) the insurer;

a) The insurance premium is not paid on time,

b) The ship departed in an unsuitable condition for the sea or the road,

c) The ship has departed from the declared or customary course,

If he gets rid of his debt, the first sentence of the first paragraph does not apply.

**ee) Transfer of the mortgage to the paying insurer**

**ARTICLE 1028**-(1) To the extent that the insurer makes payments to the mortgaged creditor pursuant to the second, fourth and fifth paragraphs of Article 1024 and Article 1027, the ship's mortgage is transferred to him. In so far, the transfer cannot be claimed to the detriment of the mortgagee creditors of the same degree or following the debt of the insurer against them.

**ff) Obligation of the insurer to accept premiums and payments**

**ARTICLE 1029**-(1) Even in cases where the insurer is legally able to refuse the due insurance premiums and other payments due under the insurance contract, it is obliged to accept them from the insured and the mortgaged creditor.

**7. The terms of the mortgage**

**a) Before the receivable is due**

**aa) Rights of the mortgagee**

**aaa) Against the owner of the ship**

**ARTICLE 1030**-(1) If the security provided by the mortgage is compromised as a result of the deterioration of the ship or its installation, the creditor may give the owner an appropriate period to rectify the danger. If the danger is not eliminated within this period, the creditor immediately acquires the right to cash out the mortgage. If the receivable is interest-free and has not become due yet, the legal interest for the time between the receipt of the money and the due date is deducted.

11200

(2) If, as a result of the owner's style of operating the ship, there is a concern that the ship or its installation will deteriorate in a way that endanger the guarantee provided by the mortgage, or the rights of the mortgaged creditor will be put in other danger, or if the owner does not take the necessary measures against such interference and destruction by third parties, the court upon the request of the creditor. ;

a) Precautionary seizure of the ship in accordance with Article 1353,

b) If necessary, to leave the ship to a trustee other than the master, and

c) The owner takes the necessary measures within one month, starting from the implementation of the precautionary seizure,

decides. At the end of this period, if it is understood that the measures have not been taken yet or that the measures taken are insufficient, the court gives the creditor one month to initiate a judgmental proceeding through the liquidation of the mortgage.

(3) The deterioration of the add-on within the scope of the mortgage or its removal from the ship in violation of the requirements of a normal business is also deemed to deteriorate the ship.

**bbb) Against third parties**

**ARTICLE 1031**-(1) If there is a concern that the ship will deteriorate to such an extent that the collateral provided by the mortgage is endangered due to the act of the third party, the creditor can only file a lawsuit against the third party for the prevention of this act.

**bb) Owner's rights**

**aa) The right to make a statement**

**ARTICLE 1032**-(1) The owner of the mortgaged vessel may claim the debtor's defenses against the creditor against the mortgaged creditor, as well as prevent the creditor from obtaining his right from the vessel as long as the debtor can terminate the legal action underlying the debt. Likewise, as long as the debtor has the opportunity to exchange his debt with an overdue receivable from the creditor, the owner of the ship may prevent the mortgagee from taking his right from the vessel. If the debtor dies, the owner cannot claim that the heirs are only limitedly liable for the debt.

(2) If the owner is not also a debtor, the owner does not lose his right to assert that debt if the debtor waives a debt.

**bbb) The right to notify for the due date of the receivable**

**ARTICLE 1033**-(1) If the due date of the receivable is dependent on the notification, the notification shall be valid on the ship mortgage only if it is made by the creditor to the owner or by the owner to the creditor.

(2) The person registered as the owner in the ship registry is considered the owner in terms of the creditor.

**ccc) Appointment of a representative to the owner**

**ARTICLE 1034**-(1) If the owner has not shown the creditor a place of residence or a representative in the country, the court of the place where the ship is registered, upon the request of the creditor, appoints a representative to whom he can make a notification. The same provision applies if the domicile of the owner is not known or the creditor does not know who the owner is without his own fault.

**b) After the receivable is due**

**aa) The ship owner's right to pay the debt**

**ARTICLE 1035**-(1) If the receivable becomes due to the owner or if the debtor has the right to pay the debt, the owner can pay the debt.

11201

(2) The owner may also fulfill the right of the creditor by depositing or bartering the money.

**bb) Transfer of the receivable to the owner**

**ARTICLE 1036**-(1) If the owner is not indebted at the same time, the credit passes to him to the extent that the creditor fulfills his right. The transition cannot be claimed to the detriment of the creditor.

(2) The rights of objection arising from the debtor's legal relations with the owner are reserved.

(3) If there is a joint ship mortgage for the receivable, the provision of Article 1046 is applied.

**cc) The ship owner's right to request the submission of documents**

**ARTICLE 1037**-(1) In return for the fulfillment of the creditor's right, the owner may request that the documents required for the change of the ship registry or the cancellation of the ship's mortgage be given to him.

**8. Transfer and replacement of ship mortgage**

**a) Transfer of mortgage**

**aa) in general**

**ARTICLE 1038**-(1) With the transfer of the receivable, which has been secured by a mortgage, the ship's mortgage also passes to the new creditor.

(2) The receivable cannot be transferred separately from the mortgage and the mortgage from the receivable.

(3) For the transfer of the receivable, the old and new creditors must agree in written form and the transfer must be registered in the ship registry.

(4) In the upper limit mortgage, the receivable can also be transferred in accordance with the general provisions regarding the transfer of the receivable. In this case, the ship's mortgage does not pass with the receivable.

(5) If the receivables, which are bound in a warrant or written deed, are secured by the ship's mortgage, the transfer of the receivable is subject to the provisions regarding the transfer of the bills to which these receivables are attached. In this case, the ship's mortgage also passes with the receivable.

(6) Due to the payment of a debt secured by the mortgage, the ship's mortgage passes to the debtor who is not the owner of the ship, to the extent that he has the right of recourse to the owner or his legal predecessors.

**bb) Objections and defenses**

**ARTICLE 1039**- (1) An objection or defense that the owner may raise against the ship mortgage based on the existing legal relationship with the old creditor can also be brought against the new creditor. The provisions of the first and second paragraphs of Article 983, Articles 975 and 976 and the last paragraph of Article 985 regarding trust in the ship registry are also valid for this ad and the objection.

(2) If the receivable is related to non-due interest or other secondary acts later than the quarterly calendar period in which the owner learns about the transfer or the following quarterly calendar period, the creditor cannot benefit from the protection provided by the principle of reliance on the registry against the defences written in the first paragraph. Quarterly periods are calculated from the beginning of the calendar year.

**cc) Receivables whose transfer is subject to general provisions**

**ARTICLE 1040**-(1) The transfer of receivables regarding accumulated interests, other secondary performances, notification and follow-up expenses or the issues written in the second paragraph of Article 1022 and the legal relationship between the owner and the new creditor are subject to the general provisions regarding the transfer of receivables.

(2) The first and second paragraphs of Article 983 regarding trust shall not be applied to the ship registry for the receivables written above.

11202

**b) Changing the mortgage**

**aa) Changing the content of the mortgage**

**ARTICLE 1041**-(1) In order to change the content of the ship mortgage, it is necessary to make an agreement between the owner and the creditor, whose signatures are notarized, or to have an agreement with the ship registry directorate and the change should be registered in the ship registry. The provisions of the first paragraph of Article 1016 shall apply to the registration.

(2) If the ship mortgage is limited to the right of a third party, the change must also be approved by that person. The approval must be declared to the registry office or the person in whose favor the change will be made. Approval cannot be revoked.

**bb) Changing the degree of mortgage**

**ARTICLE 1042**- (1) In order to change the grade of a registered ship mortgage in favor of this mortgage when a new ship mortgage is established, the ship owner and the mortgage creditor whose grade has been changed must make a notarized contract or an agreement with the ship registry directorate and this situation must be registered in the ship registry.

(2) In order for the existing ship mortgages to be changed later on, the mortgage right holder whose grade is progressing and the mortgage right holder whose grade has decreased must sign a contract whose signatures are approved by the notary public or an agreement with the ship registry directorate, the owner must approve this and the situation must be registered in the ship registry. If there are beneficiaries on the mortgage whose degree has decreased as a result of the change, their approval is also required.

(3) In case of division of the mortgaged receivable, the owner's approval is not sought to change the degrees of partial mortgages among themselves.

(4) A change in rating does not harm the mortgages that are among the mortgages whose ratings have been changed.

**cc) Replacing the mortgaged receivable with another receivable**

**ARTICLE 1043**-(1) Someone else can be put in place of the mortgage-collateralized receivable. For this, the creditor and the owner must sign a contract whose signatures are notarized or reach an agreement at the ship registry office and the situation should be registered in the ship registry. If there are third parties entitled to the mortgage, their approval is also required. Article 1016 is also applied here.

(2) If the owner of the new receivable is not the old mortgagee, he must also participate in the agreement written in the first paragraph.

**9. Termination of ship mortgage**

**a) Causes**

**aa) The reasons that result in the loss of the mortgage along with the receivable**

**aa) Decrease in receivable**

**ARTICLE 1044**-(1) With the expiration of the receivable, the mortgage also falls. Exceptions in the law are reserved.

(2) Combining the titles of creditor and debtor in the same person shall be deemed to be the payment of the receivable.

(3) If the debtor, who is not the owner of the ship, pays a part of the receivable, the remaining portion of the ship's mortgage on the creditor comes first, in order, before it is transferred to the debtor.

(4) If the debtor, who is not the owner of the ship, acquires the mortgage as a result of the payment or if he has an interest in the correction of the ship's registry for the same reason, he may request the creditor to provide him with the necessary documents for the correction of the registry.

11203

(5) If the owner undertakes to have the ship's mortgage written off against another person in case of loss of receivables, an annotation may be given to the ship's registry in order to ensure the right to request the deletion.

**bbb) Combination of creditor and owner titles**

**ARTICLE 1045**-(1) Mortgage is forfeited when the ship's mortgage and property are combined in the same person.

(2) If the debtor is a person other than the ship owner or if there is a pledge or usufruct right on the receivable, the mortgage continues. However, the owner of the ship, as a creditor, cannot demand the conversion of the ship into money and the ship does not constitute a guarantee for the interest receivables.

**ccc) Owner's payment to the creditor in the joint ship mortgage**

**ARTICLE 1046**-(1) The owner of the ship paying the creditor acquires the right of mortgage on the ship of that owner to the extent that he has the right of recourse to the owner of one of the other mortgaged ships or his legal predecessors. In accordance with the second paragraph of Article 1045, this mortgage together with the ongoing mortgage constitutes a mortgage.

(2) In case of partial payment, the mortgage remaining on the creditor comes before the mortgages transferred to the owner pursuant to the first paragraph and the second paragraph of Article 1045, respectively.

(3) The transfer of the receivable to the owner or the combination of the titles of creditor and debtor in the person of the owner shall be deemed to be paid by the owner.

(4) In case the creditor obtains his right from one of the mortgaged ships through forced execution, the provision of the first sentence of the first paragraph is applied.

**ddd) Transfer of the mortgage to the debtor in the joint ship mortgage**

**ARTICLE 1047**- (1) If the debtor in the joint ship mortgage has the right of recourse to the owner of only one of the mortgaged ships or his legal predecessors, as written in the sixth paragraph of Article 1038, only the mortgage on this ship will pass to him; Those on other ships fall.

**eee) Timeout of the claim of the creditor against the ship owner**

**ARTICLE 1048**-(1) Legal mortgages that have not been registered with contractual mortgages that have been unjustly deleted from the ship registry are forfeited when the right of claim of the creditor against the ship owner expires.

**bb) Only the reasons that result in the loss of the mortgage**

**a) Agreement of the parties**

**ARTICLE 1049**- (1) The mortgage ends when the mortgagee and the ship owner agree on the removal of the mortgage as stipulated in the second paragraph of Article 1015 and the mortgage record is deleted from the ship registry. So much so that if there are people who have rights on the mortgage, their approval is a must.

**bbb) Creditor's waiver**

**ARTICLE 1050**-(1) Mortgage is forfeited by the waiver of the creditor and upon deletion of the mortgage record from the registry. So much so that if there are people who have rights on the mortgage, their approval is a must.

(2) If the owner has a defense that makes it permanently impossible to assert the mortgage, he may ask the creditor to waive the mortgage.

11204

(3) The declaration of renunciation is signed with a notarized promissory note or at the registry office.

(4) The debtor gets rid of his debt to the extent that the creditor deprives the debtor of the opportunity to take his right from the mortgage by giving up the mortgage or giving priority to another mortgage.

**ccc) Mortgage expiration**

**ARTICLE 1051**-(1) Mortgage established for a certain period of time expires upon the expiry of this period.

**cc) Decision of the court to forfeit the mortgage**

**aa) In case the creditor is not known**

**ARTICLE 1052**- (1) If the creditor is unknown, if ten years have passed since the last registration regarding the mortgage in the ship registry and the right of the creditor has not been recognized by the owner within this period in a way that will cut the statute of limitations in accordance with Article 154 of the Turkish Code of Obligations, the creditor will be called through an announcement and the mortgage will be terminated. can be decided. For forward receivables, this period does not start to run before the maturity date.

(2) Mortgage terminates with the issuance of the decision to forfeit.

**bbb) In case of deposit of money**

**ARTICLE 1053**-(1) If the owner has the right to pay the creditor's receivables or notify the termination, and waives the right to reclaim the amount of the debt, and deposits it on behalf of the creditor, the unknown creditor may be called through an announcement and the mortgage may be dropped. Interest is deposited only if its amount is registered; No interest is deposited, except for the three-year period prior to the decision to decline.

(2) The debt is deemed to have been paid with the decision to withdraw, unless the creditor is deemed to have received his right before, in accordance with the provisions of the Turkish Code of Obligations.

(3) If the creditor has not applied to the place of deposit before, his right to the deposited amount expires ten years after the decision of dismissal is given. In this case, the depositor may recover the deposited amount even if he waived his right to take it back at the time of deposit.

**III- Mortgage on ships under construction**

**1. Subject**

**ARTICLE 1054**-(1) Mortgage can also be established on ships under construction.

(2) Mortgage may be established on the ship under construction, from the moment the keel is laid until it is unloaded from the slipway, from the moment the structure is clearly and continuously distinguished by placing a name and number in a visible place.

(3) Mortgage cannot be established on structures that will be smaller than eighteen gross tons when completed.

**2. Establishment**

**ARTICLE 1055**-(1) Mortgage on the ship under construction is established upon the agreement of the owner of the building and the creditor regarding the establishment of a mortgage on the structure and the registration of the mortgage in the registry specific to ships under construction. The agreement regarding the establishment of the mortgage must be made in writing and their signatures must be notarized. This agreement can also be made at the ship registry office.

**3. Scope**

**ARTICLE 1056**-(1) The ship under construction is covered by the mortgage at every stage of construction. Mortgage on ships under construction includes the parts that will be used in the construction and that are marked for this purpose, except for the things written in Article 1020 and the parts that are not under the ownership of the owner of the building.

11205

(2) Mortgage on ships under construction covers insurance indemnity only if the owner's interest in the matters covered by the mortgage has been separately insured by the owner or someone else in his favor.

**4. Degree**

**ARTICLE 1057**- (1) The ship mortgage established on the structure remains on the ship in its old degree after its construction is completed.

**5. Provisions to be applied**

**ARTICLE 1058**-(1) Without prejudice to the special provisions regarding mortgages on ships under construction, the provisions of Articles 1014 to 1053 shall also apply to such mortgages.

**FOURTH SECTION – Usufruct**

**A) Establishment**

**ARTICLE 1059**-(1) Usufruct right can be established on the ships registered in the Registry.

(2) The right of usufruct entitles its owner to full use of the ship on which it is built, unless otherwise agreed.

(3) In the establishment of the contractual usufruct right, the provision of Article 1015 is applied.

**B) Provisions to be applied**

**ARTICLE 1060**-(1) The usufruct right on the registered ship is subject to the provisions of the Turkish Civil Code on the usufruct on immovables.

(2) Relationships between usufruct and ship mortgages are subject to the provisions of Article 869 of the Turkish Civil Code. Rights registered with the same date are of the same degree. The provisions regarding changing the degrees of the ship mortgage and the statute of limitations of the rights granted by the mortgage to the creditor against the owner are also applied here.

PART TWO – Owner and Equipping Affiliate

**A) Equipped**

**I- Definition**

**ARTICLE 1061**- (1) The owner is the owner of the ship who uses his ship in water for profit.

(2) A person who uses a ship that is not his own in the water on his own behalf or through the captain, in order to gain benefit, is considered the owner in his relations with third parties. The owner cannot prevent the person who makes a request in the capacity of the ship's creditor due to the operation of the ship, from claiming his right, unless this operation is unfair against the owner and the creditor has bad intentions.

**II- Responsibility of seafarers arising from their faults**

**ARTICLE 1062**-(1) The owner is responsible for the damages caused to third parties as a result of the fault committed by the seafarers while performing the duties of the compulsory advisory guide or the optional guide. However, the owner shall be liable to the passengers and persons related to the cargo in accordance with the provisions regarding the liability of the carrier arising from the fault of the seafarers.

(2) The right of the owner to limit the liability arising from the international agreements regarding the limitation of liability to which the Republic of Turkey is a party is reserved.

**III- Competent court**

**ARTICLE 1063**-(1) A lawsuit may also be brought against the owner in the court of the place where the ship's mooring port is located, due to any receivables due to this title.

11206

**B) Equipping participation**

**I- Definition**

**ARTICLE 1064**-(1) If more than one person uses a ship that they own in the form of joint ownership, in the water on behalf and account of all of them, in accordance with the contract they have made between them in order to gain benefit, there is a participation in equipping.

(2) Provisions regarding the participation of armament shall not apply to commercial companies or other legal entities that are the sole owner or owner of a ship.

**II- Registration of the affiliate**

**ARTICLE 1065**-(1) Within fifteen days following the completion of the armament participation, the participation shall be registered in the trade and ship registers.

(2) Trade and ship registers;

a) Names, domiciles and citizenships of stakeholder owners,

b) Title and headquarters of the affiliate,

c) Subject of the subsidiary,

d) The amount of the ship's share of each stakeholder owner,

e) The names and surnames of the persons authorized to represent the subsidiary and whether they are authorized to sign alone or together are recorded.

**III- Relationships between stakeholder owners**

**ARTICLE 1066**-(1) The legal relations between the stakeholder owners and the representation of the donor subsidiary are subject to the provisions of the contract between the stakeholders. In cases where there is no provision in the contract, articles 1067 to 1087 are applied.

**IV- Management and representation of the affiliate**

**1. Decisions**

**ARTICLE 1067**-(1) The works of the subsidiaries are carried out according to the decisions to be taken by the shareholders who equip them with the majority of votes. Each stakeholder owner's voting right is determined by the amount of his share or shares in the ship. If those voting in favor of the resolution own more than half of all shares, the majority of the votes shall be deemed to have been achieved.

(2) Decisions regarding the amendment of the equipment participation agreement or contrary to this agreement or foreign to the purpose of the participation shall be taken unanimously.

**2. Ship manager**

**a) Appointment and dismissal**

**ARTICLE 1068**-(1) A ship manager can be appointed with a majority of votes to handle the affairs of the armament subsidiary. Unanimous consent is required for the appointment of a ship manager who is not a stakeholder owner.

(2) The shipmaster may be dismissed at any time by a majority of votes, without prejudice to his rights arising from the termination of the contract.

(3) The appointment and dismissal of the ship manager are registered in the trade and ship registers.

**b) Management authority**

**ARTICLE 1069**-(1) The ship manager's right to manage is subject to Article 1070. However, prior decision of the rigging association is required for extraordinary repairs or the appointment and dismissal of the captain.

11207

(2) The ship manager is obliged to comply with the limitations imposed by the affiliate within the scope of his powers. Apart from that, it has to act according to the decisions taken and implement these decisions.

**c) Representation authority**

**aa) Scope**

**ARTICLE 1070**- (1) In this capacity, the ship manager is authorized to carry out all the transactions and legal savings required by the ordinary business of the affiliate with third parties and to collect the money paid for these works. The representative authority of the ship manager includes especially the transactions and savings related to the equipping and maintenance of the ship, the conclusion of freight contracts and the insurance of the ship, the freight, the outfitting expenses and the receivables arising from the general average.

(2) The master is only obliged to comply with the orders and instructions of the ship manager and is not obliged to comply with the instructions of any of the shareholder shipowners.

(3) The ship manager is also authorized to represent the subsidiary in lawsuits and proceedings initiated due to disputes arising from the works he is authorized to do pursuant to this article.

(4) Unless a special authorization is given to him, the ship manager cannot make a foreign exchange commitment or borrow money on behalf of one or more of the subsidiary or shareholder shipowners, nor can he make savings on the ship or ship shares by selling or pledging them.

**b) Provisions**

**ARTICLE 1071**-(1) All rights and obligations arising from the legal transactions carried out by the ship manager in this capacity within the framework of his legal powers belong to the affiliate.

**cc) Limitation**

**ARTICLE 1072**-(1) Limitation of the legal representation power of the ship manager can only be claimed by the armament affiliate against third parties who know this at the time of the transaction.

**d) Obligations**

**aa) Duty of care**

**ARTICLE 1073**-(1) The ship manager has to show the care of a prudent shipowner while doing the work of the armament subsidiary.

**bb) Obligation to keep books and keep documents**

**ARTICLE 1074**- (1) The ship manager is obliged to keep a separate book regarding the subsidiary affairs and to keep the copies of the documents he receives and the documents he gives due to the participation works in a regular manner.

**cc) Information and accountability**

**ARTICLE 1075**- (1) The ship manager is obliged to inform each of the shareholder shipowners, upon his request, about the works of the shipyard participation, and to show all the books and documents belonging to the subsidiary.

(2) It can always be decided that the ship manager will be held accountable in the armament subsidiary. The approval of the ship manager's account by the majority and the approval of the work he sees do not detract from the objection rights of those who voted against this decision.

**V- Participating in profit and loss**

**ARTICLE 1076**-(1) The profit and loss of the subsidiary is distributed to the shareholder shipowners according to their shares on the ship.

(2) The profit and loss account and the distribution of the profit are made at the end of the calendar year.

11208

**VI- Participation in expenses**

**ARTICLE 1077**-(1) Each of the shareholder owners has to contribute to the expenses of the participation, especially the equipment and repair of the ship, in proportion to their share in the ship.

(2) If one of the shareholder owners does not pay his share of expenses and this money is given as an advance on his account by the other shareholder owners, the default interest payment obligation of the debtor stakeholder begins from the date the advances are given. In the event that the payment of the advance is insured for the insurable interest arising from the share or shares of the ship belonging to the debtor shareholder, the insurance expenses shall also be borne by the debtor shareholder owner.

**VII- Change in the personality of stakeholder owners**

**ARTICLE 1078**-(1) A change in the personality of one of the stakeholder donors shall not prevent the continuation of the donor's participation.

(2) None of the shareholder owners can be dismissed from the affiliate.

**VIII- Stakeholder owner captain**

**ARTICLE 1079**-(1) If the captain is one of the shareholder owners, when his job is terminated without his approval, he may request the purchase of his share in the subsidiary, as the owner, in accordance with the contract he made with the shareholder owners, by paying the value to be determined by the experts. If the captain delays in putting forward his request without just cause, his right is forfeited.

**IX- Responsibility of stakeholder owners**

**1. Responsibility towards third parties due to the debts of the subsidiary**

**ARTICLE 1080**-(1) Without prejudice to the provisions regarding the limitation of liability for maritime receivables, shareholder owners are personally liable to third parties for the debts of the participation in proportion to their participation shares.

**2. In case the participation share has been transferred**

**ARTICLE 1081**-(1) Unless the shareholder who transfers his participation share notifies the owner of the transfer together with the acquirer, to other shipowners or the ship manager, he is deemed to be the owner owner in his relations with them and continues to be responsible for all debts arising before this notification as a stakeholder owner. The person who acquires the participation share is also responsible for his relations with other stakeholder donors, as a stakeholder donor, from the moment of acquisition.

(2) The provisions of the equipment participation agreement and the decisions made and the works undertaken by the subsidiary bind the acquirer to the extent that they bind the transferor. Provided that the rights of the acquirer against the transferor in terms of guarantee are reserved, other shareholder donors may also exchange their debts against the acquirer, regarding the transferor's share as a stakeholder donor.

(3) The provisions of the first and second paragraphs are also applied in case of the acquisition of a participation share by forceful execution.

**X- Expiration**

**1. Reasons for termination**

**a) Termination decision**

**ARTICLE 1082**-(1) Equipment participation can be terminated by majority decision. The decision about the transfer of the ship is also the decision of the dissolution of the participation.

11209

**b) Request for termination of the partner who wants to quit**

**ARTICLE 1083**-(1) Each of the stakeholder owners may request permission to leave the subsidiary based on a justified reason. The shareholder owner, who is not allowed to leave the affiliate, may request the termination of the affiliate from the court based on justifiable reasons.

(2) According to the honesty rule, the events that make it difficult for the shareholder to remain in the affiliate to an extent that it cannot be expected from him are considered justifiable reasons. Events that only concern the person of the stakeholder owner who wants to quit and do not constitute a breach of the contract for any of the other stakeholder owners cannot be accepted as justifiable grounds.

(3) If the court finds that the just cause has been proven, it gives them an appropriate period for the value to be determined by the experts for the plaintiff's participation share to be paid and taken over by the other stakeholder owners. Each shareholder owner has the right to take over the share of the claimant shareholder owner in proportion to his own share. If the share of the plaintiff shareholder donor is not taken over within the time given by the court, the court decides to terminate the participation.

(4) Contract terms that result in the changes in the provisions of this article to the detriment of stakeholder owners are invalid.

**c) Bankruptcy of the subsidiary**

**ARTICLE 1084**-(1) Participation ends with the filing of bankruptcy about the subsidiary of equipment.

**2. Conditions that do not require termination**

**ARTICLE 1085**-(1) The death or bankruptcy of one of the stakeholder donors does not cause the end of the subsidiary of the donor.

**XI- Liquidation**

**ARTICLE 1086**-(1) If the termination of the armament participation or the transfer of the ship is decided, the ship is sold by auction and the participation is liquidated. Unless it is determined by a court decision that the ship does not accept repair or is not worthy of repair, the sale can only be made when the ship is at the mooring port or a Turkish port and is not yet bound by a freight contract that it is obliged to fulfill. The form and conditions of sale can be changed unanimously by the stakeholder owners.

(2) In case the shareholder owners cannot come to an agreement on the terms and conditions of sale or the appointment of the liquidator, or if the court decides to terminate, the court appoints a liquidator to sell the ship and liquidate the subsidiary. Regarding the rights, duties and responsibilities of this officer, the provisions regarding the liquidator of the collective company are applied by analogy.

**XII- Competent court**

**ARTICLE 1087**-(1) A lawsuit may also be brought against the shareholder shipowners in the court of the place where the ship's mooring port is located, due to any receivables due to these titles, by other shareholder shipowners or third parties.

(2) In case the lawsuit is filed against one or more of the shareholder owners, the same provision shall apply.

PART THREE – Captain

**A) duty of care**

**ARTICLE 1088**-(1) The captain has to act like a prudent captain in all his works, especially in the fulfillment of contracts that are his responsibility.

11210

**B) Liability**

**ARTICLE 1089**-(1) The captain is liable to everyone related to the ship and the goods, including the passengers, for the damages caused by his fault, especially for the damages arising from his failure to perform his duties specified in this Section and other Sections.

(2) The owner's obedience to the order does not relieve the captain of his responsibility.

(3) The owner, who gave an order to the captain knowing the situation, is also responsible.

(4) The captain's right to limit his liability arising from international conventions regarding the limitation of liability to which the Republic of Turkey is a party is reserved.

**C) Duties**

**I- Regarding the ship's suitability**

**1. Pay attention to whether the ship is seaworthy and roadworthy**

**ARTICLE 1090**- (1) The master must ensure that the ship is seaworthy and suitable for the road and that the documents belonging to the ship, crew members and cargo are on board before setting off.

**2. Pay attention to whether the ship is suitable for loading and unloading**

**ARTICLE 1091**-(1) The master must take care that the loading and unloading vehicles are in a suitable condition for their intended use and that the stacking is carried out in accordance with the rules applicable in maritime, even if it is done by private stackers.

(2) The captain, in accordance with the rules applicable in maritime; the ship is not overloaded, the necessary ballast is on board, and the ship's holds are equipped to accept and protect the goods to be transported.

**II- Compliance with foreign legislation**

**ARTICLE 1092**-(1) The captain is obliged to compensate for the losses arising from not complying with the legislation of that country's state, especially law enforcement, tax and customs rules while he is in a foreign country.

(2) The captain is also obliged to indemnify the damage caused by loading the goods that he knows or should know to be a war fugitive to his ship.

**III- Take off**

**ARTICLE 1093**- (1) The master must set off at the first convenient opportunity when the ship is ready to take off.

(2) The master may not unduly delay the departure of the ship or the continuation of the voyage, even if he is unable to command the ship due to illness or any other reason. In such a case, if it is possible for the captain to take instructions from the owner according to the requirements of the situation, notify him of the obstacles without delay and take the necessary measures until the instruction comes; otherwise he must replace another person as captain. Unless the captain is faulty in his selection, he cannot be held responsible for the actions of the captain who represents him.

**IV- Presence on board**

**ARTICLE 1094**- (1) The captain cannot leave the ship at the same time with the second mate unless there is a compelling reason until the loading starts and the unloading ends. If the captain has to leave, he is obliged to deputize a suitable person from among the officers or crew before he leaves.

(2) This provision also applies when the ship is in an unsafe port or anchorage, before loading begins and after unloading is completed.

11211

(3) The master is obliged to stay on the ship in the event of an imminent danger or while the ship is at sea, unless there is an obligation justifying his departure from the ship.

**V- Captain's consultation with the ship's officers**

**ARTICLE 1095**- (1) The captain is always responsible for the measures he will take, not depending on the decision of the ship's officers, even if he thinks it is necessary to consult the ship's officers in the presence of a danger.

**VI- Ship log**

**1. Obligation to keep**

**ARTICLE 1096**-(1) A book called ship log is kept on each ship. In this book, certain events that will pass from the moment of loading the goods or saffron on each journey are written.

(2) The ship log is kept by the first officer under the supervision of the master, and in case of his excuse, by the master himself or by a competent seaman, provided that it is under the supervision of the master.

(3) There is no obligation to keep logbooks in small ships traveling in a port.

**2. Content**

**ARTICLE 1097**-(1) The following matters are written daily in the ship's log, unless there is an obstacle:

a) Meteorological data, especially weather and wind conditions.

b) The course followed and the route taken by the ship.

c) The latitude and longitude circle where the ship is located.

d) Water height in the bilges.

e) Sounded water depth.

f) Reception of the pilot and the times when the pilot entered and left the ship.

g) Changes between seafarers.

h) All accidents suffered by the ship or goods and their detailed explanation.

i) Incidents of birth and death on the ship, without prejudice to the crimes committed on the ship and the provisions of the Population Services Law No. 25 dated 4/2006/5490.

(2) The ship's log is signed by the master and the mate.

**VII- Marine report**

**1. Persons authorized to request regulation**

**ARTICLE 1098**- (1) The master is authorized to request a sea report to be drawn up, even if the ship is lost, in the event of an accident involving the ship or the goods transported or likely to cause other material damage during the voyage, and is obliged to do so if requested. Anyone who equips or demonstrates interest in the issuance of the naval report may request. It may be requested that the sea report be prepared in one of the following places without wasting time:

a) At the port of destination and, if more than one port of destination, the first port of destination after the accident.

b) At the port of port if the ship is repaired or the goods are unloaded.

c) If the voyage ends before reaching the port of destination due to the sinking of the ship or for any other reason, at the first convenient place where the master or the person deputizing for him stops.

11212

(2) If the captain dies or is unable to have a sea report drawn up, the highest-ranking officer on the ship after the captain has to make a determination.

(3) The provisions of the legislation on the protection of life and property at sea are reserved.

(4) The naval report is drawn up by the courts within the borders of the Republic of Turkey. In other places, Turkish consulates issue maritime reports, without prejudice to the provisions of local legislation for Turkish flagged vessels.

**2. Issues to be determined**

**ARTICLE 1099**-(1) The important events of the trip, especially the accidents and the measures taken to prevent or reduce the damage are determined by the court or the consulate fully and clearly.

**Method 3**

**ARTICLE 1100**- (1) For determination, the captain applies to the court or consulate specified in Article 1098, together with a list showing the names and surnames of all seafarers, the ship's logbook and other available documents related to the event.

(2) Upon application, the court or consulate determines a date as close as possible for determination and announces it as appropriate. However, in cases where delay is considered inconvenient, the announcement may be abandoned.

(3) Persons related to the ship or cargo and other persons related to the accident may be present at the court or the consulate in person, or they may have a proxy.

(4) The master makes necessary explanations based on the ship's log. If the ship's log cannot be brought to the court or consulate or if it is not necessary to keep it, the reasons for these situations should be reported.

(5) The judge or the consul may, when necessary, listen to those of the seafarers who have not come to the court, and may also ask the captain and other seafarers whatever they want so that the events can be sufficiently understood.

(6) The captain, other seafarers and those involved in the incident are warned to tell the truth.

**4. Keeping the original of the report**

**ARTICLE 1101**-(1) The original of the report is kept by the court or the consulate. Approved samples are given to those who are interested.

**VIII- Protecting the owner's interests**

**ARTICLE 1102**-(1) The master is obliged to protect the interests of the owner as long as necessary, even if the ship is lost.

**D) Representation authority arising from the law**

**I- In the capacity of the owner's representative**

**1. Scope**

**a) While the ship is at the mooring port**

**ARTICLE 1103**-(1) Legal actions taken by the master while the ship is still at the mooring port do not bind the owner; unless the captain acted on the basis of a special authority given to him or the debt arises from another special debtor reason.

(2) The captain is also authorized to hire seafarers at the mooring port.

11213

**b) When the ship is outside the mooring port**

**ARTICLE 1104**- (1) While the ship is out of the mooring port, the master, in this capacity, shall take all kinds of actions and dispositions regarding the equipping of the ship, its fuel and stores, the crew, keeping the ship in a suitable condition for the sea, the road and the cargo, and the safe continuation of the voyage in general. authorized to do so on behalf of the owner.

(2) Making contracts of carriage and filing lawsuits on matters falling under their duties are also within the scope of the captain's authority.

(3) In foreign flagged ships, all kinds of lawsuits or proceedings brought against the owner or charterer of the ship may also be directed to the master, valid against them.

**c) Credit transactions**

**ARTICLE 1105**- (1) The master is only authorized to borrow money or loan goods and make similar credit transactions in the amount necessary to protect the ship or to make the voyage and in order to meet these needs.

(2) The validity of the actions stated in the first paragraph that the captain is authorized to do does not depend on whether the action chosen by him is suitable for the purpose or whether the money or other things provided by this process are actually used for the protection of the ship or for voyage. If the third party knows that the captain is unauthorized or intends to use the loan provided for another purpose, or if his ignorance constitutes gross negligence, the action taken by the captain does not bind the owner.

(3) For the owner to be held personally responsible for the master's foreign exchange commitments, he is subject to a clear representation authority given to him by the owner.

**2. Limitation of the power of representation**

**ARTICLE 1106**- (1) The owner, who has limited the legal representation of the captain, can claim that the captain does not comply with these restrictions, only against those who know them.

**3. Removal of captain's powers after termination**

**ARTICLE 1107**-(1) The owner, who notifies the termination of his contract with the master, may prohibit the captain from using his powers within the notice period of termination.

**4. The captain's work without power of attorney**

**ARTICLE 1108**- (1) The captain, who gives advances from his own money to the owner's account without a power of attorney, or borrows on his own behalf, is in the position of third parties in terms of compensation from the owner.

**5. The responsibility of the equipment arising from the actions of the captain**

**ARTICLE 1109**- (1) The owner acquires rights and becomes indebted to third parties due to the legal actions taken within the scope of his legal powers, as the person who manages and manages the ship, by notifying or not informing that the captain is acting on his behalf.

(2) Unless the captain undertakes to perform separately or exceeds his legal powers, the captain does not incur personal debt due to his actions. The responsibility of the captain arising from articles 1088 and 1089 is reserved.

**6. Rights and obligations of the master to the owner**

**ARTICLE 1110**-(1) Unless restricted by the owner, the scope of the captain's powers in the relations between the master and the owner is subject to the provisions of Articles 1103 to 1105.

11214

(2)Captain; As well as regularly informing the ship owner about the status of the ship, the events that occurred during the voyage, the contracts made and the lawsuits filed, as well as requesting instructions from the shipowner in all important works, especially in cases specified in Article 1105, when the voyage needs to be changed or interrupted, and for extraordinary repairs and purchases. has to.

(3) The captain can only make extraordinary repairs and purchases in case of necessity, even if he has a sufficient amount of money belonging to the owner.

(4) The master has to give an account to the shipowner when the ship returns to the mooring port or whenever he requests it.

(5) Captain; All money received from the shipper, shipper and consignee other than freight, under whatever name, such as reward or compensation, must also be credited to the owner's account.

**II- Prohibition of loading goods on own account**

**ARTICLE 1111**-(1) The master cannot load goods on his own account without the consent of the shipowner. If he does not comply with this prohibition, the captain is obliged to pay the highest freight that can be requested at the place and time of loading for similar goods on such voyages to the shipowner. The right of the equipment to demand compensation for the damage not covered by the freight paid by the captain is reserved.

**III- Obligation to protect the interests of those related to the cargo**

**1. In general**

**ARTICLE 1112**- (1) The captain is obliged to show the best possible care for the best protection of the goods for the benefit of those who are related to the cargo during the voyage.

(2) The master is obliged to take into account the interests of those involved in the cargo and, if possible, to take their instructions and to fulfill these instructions when necessary, when special measures need to be taken to prevent or reduce a damage. If it is not possible to obtain instructions, the captain will act at his own discretion; however, it does its part to inform those related to the cargo of such situations and the measures taken without delay.

(3) The captain, in such cases, to unload the goods completely or partially, and to sell the goods if it is understood that a great damage that may arise due to the deterioration of the goods or other reasons cannot be avoided in any other way; It is authorized to pledge to provide the money necessary for its preservation or further development.

(4) The captain is authorized to use his claims arising from the loss or damage of the goods in court or out of court, on his own behalf, provided that those involved in the cargo are not in a position to do so in time.

**2. Deviation from course**

**ARTICLE 1113**- (1) If an unexpected situation prevents the continuation of the journey on the route followed, the captain may continue the journey on another route, pause for a short or long time, or return to the port of departure, according to the instructions he is obliged to implement within the framework of the requirements of the situation and the possibilities.

(2) In case the freight contract is terminated, the master acts in accordance with the provisions of Article 1211.

11215

**3. Power of disposition on goods**

**a) in general**

**ARTICLE 1114**-(1) Except for the cases written in Article 1112, the captain can only dispose of the goods by selling, pledging or using them if it is necessary for the continuation of the voyage.

**b) In case of general average**

**ARTICLE 1115**-(1) If the master's need for money has arisen from the general average and he is in a position to apply one of the different measures to meet it, he has to choose the one that will cause the least harm to the concerned.

**c) In other cases**

**ARTICLE 1116**- (1) In the absence of general average, the captain may sell, pledge or otherwise dispose of the goods only if his need for money cannot be met by other means or if the taking of other measures would cause an unbearable damage to the owner.

**d) Master's operations binding the owner**

**ARTICLE 1117**-(1) If the master disposes of the goods as written in Article 1116, the owner is obliged to compensate the persons related to the damaged cargo.

(2) The provisions of Article 1186 shall apply to the compensation to be paid by the owner. If the net sales price obtained as a result of the sale of the goods exceeds the value written in Article 1186, the net sales price replaces it.

**4. Validity of transactions in foreign relations**

**ARTICLE 1118**-(1) Whether the legal actions taken by the captain in accordance with Articles 1112, 1114, 1115 and 1117 are valid or not is determined according to the second paragraph of Article 1105.

PART FOUR – Maritime Trade Contracts

CHAPTER ONE - Ship Charter Contracts

**A) Definition and types**

**ARTICLE 1119**-(1) Ship charter contract is a contract in which the lessor undertakes to leave the use of the ship to the charterer for a certain period of time in return for the rental fee.

(2) The fact that the lessor undertakes to subordinate the ship to the charterer, together with the ship, does not change the nature of the contract.

**B) Ship charter**

**ARTICLE 1120**-(1) Each of the parties to the charter contract may request that a charter note, which includes the terms of the contract and is called a charter party, be issued and given to it, provided that it pays its expenses.

**C) annotation to the registry**

**ARTICLE 1121**-(1) Unless otherwise agreed in the contract, the parties may request the annotation of the charter contracts to the Turkish Ship Registry or to the special registry kept by the Ministry of Transport, Maritime Affairs and Communications in accordance with the third paragraph of Article 941.

(2) This annotation imposes on the subsequent owners the obligation to allow the charterer to use the ship within the framework of the conditions in the charter agreement.

11216

**D) Terms and consequences**

**I- Claims arising from the use of the ship**

**ARTICLE 1122**- (1) The charterer is under the obligation to meet all the demands of the third parties against the lessor due to the operation of the ship.

**II- Delivery of the ship**

**ARTICLE 1123**-(1) The lessor is obliged to deliver the chartered ship to the lessee on the agreed date and place, ready to use it in a seaworthy manner and in accordance with the purpose pursued by the contract.

**III- Expenses**

**ARTICLE 1124**- (1) Repairs arising from the ship's faults and the expenses of the replaced parts belong to the lessor.

(2) If the ship is inactive for more than twenty-four hours due to its fault, the rental fee is not paid for the exceeding period, and if paid, it is returned.

(3) Expenses arising from the maintenance of the ship and its repairs, which are not covered by the first paragraph, as well as the replacement and operation of its parts, belong to the lessee.

**IV- Right to use the ship**

**ARTICLE 1125**-(1) The lessee can use the ship as he wishes within the framework of the contract provisions in accordance with the purpose of allocation.

(2) The charterer has the right to use all kinds of materials and equipment left on the ship according to the provisions of the contract for the equipment of the ship, provided that they are delivered in the same quality and quantity at the end of the contract.

**V- Insurance**

**ARTICLE 1126**-(1) The lessee is obliged to take out insurance against the maritime and liability risks that may arise until the ship is returned, and to notify the lessor in advance of the establishment of the insurance contract. In the insurance contract and policy, it is obligatory to notify the lessor by name and to make the insurance "in favor of whomever it will be".

**VI- Employment of seafarers**

**ARTICLE 1127**-(1) All debts and obligations arising from the employment of seafarers belong to the lessee. In the charter agreements where the ship is placed at the disposal of the charterer together with the crew, the charterer is jointly and severally liable with the charterer for all debts and obligations arising from the employment of the crew.

**VII- Rent payment debt and guarantee**

**ARTICLE 1128**- (1) The rental fee is paid monthly and in advance, starting from the date the ship's possession is transferred to the charterer under the terms of the contract, if there is no agreement on this matter, at the time agreed in the contract.

(2) The lessor has the right to lien on the movable and valuable papers belonging to the lessee for all his receivables arising from the ship charter contract in accordance with the articles 950 to 953 of the Turkish Civil Code, the pledge of the receivables in accordance with the articles 954 to 961 of the same Law on the freight and other receivables to be paid to the charterer, and has the right of lien, which is granted in accordance with Article 1201, in order to secure the freight payable to the lessee; to the extent that the debtors are relieved of their debts by paying the tenant if they are not notified of the pledge of receivables.

11217

**VIII- Return of the ship**

**ARTICLE 1129**- (1) At the end of the contract, the lessee returns the ship as received. The Charterer is not responsible for any defect, change or wear on the ship and its installations that occur as a result of a normal usage style.

(2) In case of delay in returning the ship at the end of the contract, the charterer is obliged to pay an indemnity to be calculated over the rental price for the first fifteen days of the delay and twice the rental price for the following days; unless the lessor has proven that he has incurred a higher loss.

**E) Provisions to be applied**

**ARTICLE 1130**-(1) In cases where there is no provision in this Section, the provisions of the Turkish Code of Obligations on ordinary lease agreements are applied to the extent their qualifications allow.

SECTION TWO - Time Charter Agreement

**A) Definition**

**ARTICLE 1131**-(1) A time charter contract is a contract in which the issuer undertakes to entrust the commercial management of an equipped ship to the alloted for a certain period of time and for a fee.

(2) The assignor holding the technical management of the ship is considered the owner of the ship.

**B) Time charter party**

**ARTICLE 1132**-(1) When a time charter contract is made, each party may request that a time charter party be arranged and given, including the terms of the contract, by paying its expenses.

**C) Rights and obligations of the parties**

**I- Obligations of the assignor**

**ARTICLE 1133**-(1) The assignor undertakes the technical management of the ship. For this purpose, the assigned ship;

a) Have it ready at the agreed date and place,

b) To keep the ship in a seaworthy and roadworthy condition and suitable for the purpose specified in the contract during the contract period,

is obliged to.

**II- Commercial management of the ship**

**ARTICLE 1134**-(1) The commercial management of the ship belongs to the assigned person.

(2) The master has to comply with all the instructions given to him within the framework of the time charter agreement regarding the commercial management of the assigned ship.

**III- Expenses**

**ARTICLE 1135**-(1) The expenses allocated to all expenses, as well as the expenses arising from the commercial operation of the ship, especially to provide the quality and amount of fuel that will ensure the regular operation of the machines, are beared.

**IV- Fee payment debt and guarantee**

**ARTICLE 1136**-(1) The allocation fee is paid monthly and in advance, starting from the day when the commercial management of the ship is left to the actual allotment within the framework of the terms of the contract.

11218

(2) Provided that the period of inactivity of the ship exceeds at least twenty-four hours, no fee is paid for the period when the ship is not in a commercially usable condition.

(3) For all the receivables arising from the allocating time charter agreement, the right of lien on the movable and valuable papers belonging to the assignee in accordance with Articles 950 to 953 of the Turkish Civil Code, the pledge of receivables on the freight to be paid to the assignee in accordance with Articles 954 to 961 of the same Law and this has the right of lien, which is granted in accordance with Article 1201, in order to secure the freight; to the extent that the freight debtor is relieved of his debt by making a payment to the allotted if the pledge of receivables is not notified to him.

**V- Responsibility of the assignee and obligation to return the ship**

**ARTICLE 1137**-(1) The assigned is responsible for the losses incurred by the assignor due to the commercial management of the ship.

(2) The assigned is obliged to return the ship in the place and condition determined in the contract at the end of the contract. In case of breach of this obligation, the allotted person is obliged to pay twice the allocation fee payable at the end of the time charter contract for the delayed time period; unless it has been proven that a higher damage has occurred because of this.

SECTION THREE - Freight Contract

**FIRST SECTION – General Provisions**

**A) Types of freight contract**

**ARTICLE 1138**-(1) Carrier against freight;

a) In the voyage charter contract, by allocating the goods, all or part of the ship or a certain place to the shipper;

b) Goods distinguished in the Kırkambar contract,

undertakes the transport at sea.

(2) The provisions of this Chapter do not apply to the postal authority's carriage of goods by sea.

**B) cruise charter party**

**ARTICLE 1139**-(1) When the travel charter contract is made, each party may request that a travel charter party including the terms of the contract be arranged and given to him by giving his expenses.

**C) Chambers**

**ARTICLE 1140**- (1) When the entire ship is allocated to the shipper, cabins are considered to be excluded; however, no goods can be loaded into the cabins without the permission of the shipper.

**D) The carrier's obligation to keep the ship suitable for sea, road and cargo**

**ARTICLE 1141**- (1) In all kinds of freight contracts, the carrier is obliged to ensure that the ship is in a suitable condition for the sea, the road and the cargo.

(2) The carrier is liable to those related to the cargo for damages arising from the ship's unsuitability for the sea, the road or the cargo; unless the care and attention that a prudent carrier is obliged to spend, the lack of it has not been possible to explore until the beginning of the journey.

**SECOND SEPARATION – Loading and Unloading**

**A) Loading**

**I- Anchorage**

**ARTICLE 1142**-(1) The captain anchors the ship to the place agreed in the contract to pick up the goods.

(2) If only the port or region where the ship will load is agreed in the contract, the ship waits for the loading place to be determined in the waiting area allocated for this port or region.

**II- Loading expenses**

**ARTICLE 1143**-(1) Unless otherwise stipulated by the contract, the regulations of the loading port and local custom, if there is no such, the transportation cost of the goods to the ship belongs to the shipper, and the loading cost belongs to the carrier.

**III- Item to be loaded**

**1. Items other than agreed upon**

**ARTICLE 1144**-(1) If the shipper wishes to load other items on the ship for the same port of destination instead of the agreed goods, the carrier is obliged to accept this unless the situation becomes difficult because of this. If the goods are determined individually in the contract, this provision does not apply.

**2. Obligation to report truthfully**

**a) About the item**

**ARTICLE 1145**- (1) The shipper and the shipper are obliged to make a full and correct statement about the goods to the carrier. Each of them is liable to the carrier for damage arising from the inaccuracy of their statements; for this reason, they are only liable to other people who are harmed if they have faults.

(2) The obligations and responsibilities of the carrier towards persons other than the shipper and the shipper, pursuant to the freight contract, are reserved.

**b) About illegal goods and loading**

**ARTICLE 1146**- (1) The shipper and the shipper are liable to the carrier if they load the goods that are prohibited from war evasion or export, import or transit, or if they violate the legislation, especially law enforcement, tax and customs rules during loading; for this reason, they are only liable to other people who are harmed if they have faults.

(2) Acting with the approval of the captain does not relieve the shipper and shipper from responsibility towards other persons. They cannot avoid paying the freight by claiming that the goods have been confiscated.

(3) If the goods endanger the ship or the other goods in it, the captain is authorized to land it or to throw it into the sea in cases of necessity.

**c) About the secretly uploaded goods**

**ARTICLE 1147**- (1) The person who secretly loaded goods on the ship without the knowledge of the captain is also obliged to compensate for the damage that may arise due to this, according to Article 1145. The captain is authorized to land such goods again and, if necessary, to throw them into the sea if they endanger the ship or other goods. If the captain keeps the goods on board, the highest freight charged for such voyage and goods must be paid at the place of loading and at the time of loading.

**d) About dangerous goods**

**ARTICLE 1148**- (1) If the goods considered dangerous according to the legislation on the protection of life and property at sea are brought to the ship without the captain's knowledge of them or their dangerous types or qualities, the shipper or the shipper is liable according to Article 1145, even if no fault is attributed to them. In this case, the master is authorized to remove the goods from the ship, destroy them or otherwise render them harmless at any time and in any place.

(2) The master is authorized to act in the same way if the goods endanger the ship or other goods, if he has given approval for the loading even though he knows the dangerous type or nature of the goods. In this case, the carrier or the captain is not obliged to compensate the damage. In the case of general average, the provisions regarding the sharing of the loss are reserved.

**3. Information**

**ARTICLE 1149**- (1) The information of the carrier or his agent is like the information of the captain in the cases specified in articles 1146 to 1148.

**IV- Loading and transferring to another ship**

**ARTICLE 1150**- (1) The carrier cannot load the goods on another ship without the permission of the shipper, and if he loads, he will be responsible for the damage that may arise; unless the goods are loaded on the agreed ship, the damage is certain and even the damage belongs to the shipper.

(2) The provision of the first paragraph is not applicable for transfers to be made in case of danger and after the journey has started.

**V- Item to be put on deck**

**ARTICLE 1151**- (1) The carrier cannot carry the goods on the deck or hang them on the rail.

(2) The carrier may carry the goods on board only if it is in accordance with the agreement between the shipper and the commercial custom or if it is required by the legislation.

(3) If the carrier agrees with the shipper that the goods can be transported or transported on deck, a written entry must be made in the shipping bill for this purpose. In the absence of such a record, the burden of proving the existence of an agreement for carriage on board rests with the carrier; to the extent that the carrier does not have the right to assert such an agreement against third parties, including the consignee who has acquired the bill of lading in good faith.

(4) If the transportation of the goods on the deck is contrary to the first or second paragraph, the carrier shall be liable for the loss, damage or late delivery caused by the transportation on the deck in accordance with Articles 1178 and 1179. Articles 1186 or 1187 are applied, as appropriate, on the limits of the carrier's liability.

(5) Carriage of the goods on the deck contrary to the express agreement regarding the carriage of the goods in the warehouse shall be deemed an act or omission of the carrier within the meaning of Article 1187.

**VI- Durations**

**1. Statement of readiness**

**ARTICLE 1152**-(1) Unless it is agreed that the loading will start on a certain day, the carrier or an authorized representative shall make a preparatory notification to the shipper in accordance with the provisions of the second to fifth paragraphs.

(2) The readiness notification is made when the ship arrives at the anchorage specified in Article 1142.

11221

(3) In cases written in the second paragraph of Article 1142, if the loading place is not shown to the ship upon the preparation notification or if the depth of the water, the safety of the ship, local regulations or facilities prevent it from acting according to the instructions, the ship remains in the waiting area. In the implementation of this provision, the instruction of the port management is the instruction of the shipper.

(4) If a person other than the shipper is required to be notified according to the cruise charter contract or a valid instruction given by the shipper afterwards, the notification is made to that person. If the addressee of the notification cannot be found or the addressee refrains from receiving the notification, this situation is immediately notified to the shipper. In this case, the preparatory notification shall be deemed to have been made on the date of the notification attempt.

(5) The validity of the preparatory statement is not dependent on any form. In order for the preparatory notification to take effect, it must reach the addressee.

**2. Loading time**

**ARTICLE 1153**-(1) The loading period starts from the first calendar day following the delivery of the preparation notification to the addressee, and from that moment if the loading has actually started. In case the loading cannot actually start as soon as the time period starts to run, Article 1156 is applied.

(2) If the loading time is not determined by the contract, the time required in case the loading is carried out with twenty-four hours of uninterrupted work is considered as the loading time. When calculating this period, the port of loading, the ship performing the transport, the loading facilities and vehicles, the nature of the cargo, the regulations of the loading port and local customs are taken into consideration.

(3) The parties may decide to pay a fee for the loading time.

**3. Surcharge time**

**ARTICLE 1154**-(1) If agreed in the contract, the carrier has to wait longer than the loading time for the goods to be loaded. This extra expected time is called the 'censorship time'.

(2) In the contract, if the demurrage or only the demurrage fee is mentioned but the demurrage period is not specified, this period is ten days.

(3) The censorship period starts when the loading period is over, without the need for any notification.

**4. Surastaria coin**

**ARTICLE 1155**-(1) “Surastar fee” is paid to the carrier for the period of the demurrage.

(2) If the amount of the demurrage money is agreed upon by contract, the carrier cannot make a claim exceeding the amount determined in the contract.

(3) If the amount is not agreed in the contract, compulsory and useful expenses incurred by the carrier due to waiting exceeding the loading time may be requested as demurrage money.

(4) The debtor of the demurrage money born at the port of loading is the shipper, and the carrier is not obliged to set off the ship before the demurrage fee is paid or a sufficient guarantee is given. For this reason, the carrier may claim the entire amount of the damage suffered from the shipper for the extra time he waits.

(5) The demurrage money born at the port of loading becomes due at the end of the time unit taken as a basis in the calculation of the demurrage period. No deductibles can be claimed for unused time units.

11222

(6) The provisions regarding freight cannot be applied even by analogy to the demurrage money arising at the loading port.

**5. Calculation of loading and dewatering times**

**ARTICLE 1156**-(1) The loading time is calculated continuously according to the calendar.

(2) The days when it is not possible to deliver the goods to the ship due to accidental reasons in the shipper's field of activity are also taken into account in the calculation of the loading time.

(3) The days when it is not possible to take the goods to the ship due to accidental reasons in the field of activity of the carrier are not taken into account in the calculation of this period.

(4) The days when it is not possible to deliver and receive the goods to the ship due to incidental reasons such as storms, ice invasions or mobilization, which are related to the field of activity of both parties, are added to the loading period; to the extent that the shipper is liable to pay the carrier for these days, even though it is within the loading period.

(5) In the cases written in the third and fourth paragraphs, as soon as the loading is actually continued, the time starts to run from where it stopped.

(6) The censorship period is calculated uninterruptedly, without being affected by the conditions specified in the second to fifth paragraphs; unless the birth of these states is caused by the fault of the carrier.

**6. Boost bonus**

**ARTICLE 1157**-(1) In case the loading is completed before the agreed loading time in the contract, the agreements stipulating that the carrier pays the shipper a money for the unused period are valid. In the calculation of the time for this money, the rules regarding the calculation of the loading time are applied.

(2) If the contract made is for the purpose of circumventing the administrative, financial or penal provisions applicable at the loading or unloading port regarding the determination of the freight, the first paragraph shall not be applied.

**VII- Termination of the contract before the start of the journey**

**ARTICLE 1158**-(1) The shipper may terminate the voyage charter contract until the ship completes its loading and embarks on the journey pursuant to that contract.

(2) As an indemnity for termination, the carrier may claim the earnings that he has deprived of due to the termination of the contract and the receivables that have arisen until that time. In case of hesitation, thirty percent of the total freight agreed upon shall be deemed to be the lost income. In the period required for the performance of the terminated contract, the income earned by the carrier by making new freight contracts is deducted from the compensation amount.

(3) In case the right of termination is exercised after the goods are taken on board, the carrier has to wait for the time required for the goods to be unloaded. This time does not count towards the loading or deletion time. The carrier may claim all expenses and damages caused by the shipper due to the removal of the goods from the ship; In any case, this damage cannot be less than the demurrage fee for the lost time.

(4) If more than one journey is to be made pursuant to the contract, the right of termination can be exercised separately for each of the journeys that have not yet started, or for all of them together.

11223

**VIII- Not loading at all or on time**

**1. No installation at all**

**ARTICLE 1159**-(1) If the loading period and if agreed, the demurrage period has expired but the loading has not started yet, the carrier;

a) Consider the contract terminated, or

b) It can continue to wait for the download to be done.

(2) When the carrier is obliged to wait for the contract to be terminated and to be able to claim compensation pursuant to the second paragraph of Article 1158, it is obligatory to notify the shipper in writing, also by fax message, electronic letter or similar technical means.

(3) If the carrier continues to wait for the loading to be done, he may request the entire loss from the shipper due to this waiting period.

**2. Incomplete installation**

**ARTICLE 1160**- (1) After the loading period and the demurrage period if agreed, the carrier does not have to wait any longer for the completion of the loading. If the carrier continues to wait after the loading and, if any, demurrage period, based on the instructions of the shipper, he may demand compensation for the expenses incurred during this period and the damage incurred due to this.

(2) After the end of the loading period and, if agreed, the demurrage period, the carrier has to depart at the request of the shipper, even if not all of the goods to be transported have been loaded. In this case, bearing;

a) The entire freight agreed in the contract,

b) The fee for the born demurrage,

c) Expenses and losses incurred due to incomplete loading,

d) If his receivables are partially or completely unsecured due to incomplete loading, additional collateral is given to him,

may request. In so far, if the goods were transported pursuant to another contract instead of the goods that were not partially loaded, the freight to be charged for this goods shall be deducted from the freight to be requested in accordance with subparagraph (a).

(3) At the end of the loading period and, if agreed, the demurrage period, if all of the agreed goods have not been loaded and no instructions have been given in accordance with the first and second paragraphs, the carrier shall notify the shipper in writing, including by fax message, electronic letter or similar technical means, and give an instruction within a certain period of time. may request it. If no instruction is given until the end of the period, the carrier may use its rights arising from Article 1158 by deeming the contract as terminated.

**IX- Presence of more than one shipper or shipper**

**1. Multiple uploaders**

**ARTICLE 1161**- (1) If the goods are to be received from more than one person at the same port according to the cruise charter contract or a valid instruction given by the shipper, the preparatory notification must be made to the shipper. The provisions of Articles 1152 to 1160 are applied regardless of the presence of more than one shipper. Shippers may request that the ship's loading location be changed for each item; provided that all expenses of the displacement, including the manoeuvre, belong to the shipper, and the loading and derailleur times continue to run during the displacement manoeuvre.

11224

**2. Multiple carriers**

**ARTICLE 1162**-(1) If independent cruise charter contracts are concluded with more than one shipper for certain parts or locations of the ship, the provisions of Articles 1152 to 1157 are applied separately for each contract; However, when the situations regulated in Article 1158 occur, if the unloading of the goods taken on board may cause delay in the journey or transfer, the shipper cannot request the unloading of the goods unless the approval of all other shippers has been obtained.

**X- Kırkambar contract**

**1. The moment of loading**

**ARTICLE 1163**-(1) In the Kırkambar contract, the shipper is obliged to load the goods without delay upon the call of the carrier or its authorized representative.

(2) If the shipper is late, the carrier is not obliged to wait for the delivery of the goods. Even if the journey has started before the goods are received, the shipper is obliged to pay the full freight; to the extent that the freight of the goods loaded by the carrier instead of the undelivered goods is deducted from the full freight.

(3) In order for the carrier to request freight from the late shipper, it must notify the shipper in writing, also by fax message, electronic letter or similar technical means, before departure; otherwise, he loses his right to demand.

**2. Termination of the contract by the shipper**

**ARTICLE 1164**-(1) After loading, the shipper may terminate the contract by paying the full freight and other receivables secured pursuant to Article 1201 or by giving a guarantee pursuant to Article 1202; so far, if the unloading of the goods taken on board may cause delay in the journey or transfer, the shipper cannot request the unloading of the goods unless he has obtained the approval of all other shippers. The carrier does not have to change the route or stop at a port to remove the goods from the ship.

**XI- Obligation to submit documents**

**ARTICLE 1165**-(1) In all kinds of freight contracts, the shipper and the shipper are obliged to give the carrier the necessary documents for the carriage of the goods within the period of receipt of the goods.

(2) In accordance with Article 1145, the shipper and shipper are liable to the carrier and other persons related to the cargo for all the corruption in these documents and especially for the damages arising from their inaccurate statements.

**B) Unloading**

**I- Anchorage**

**ARTICLE 1166**-(1) The captain anchors the ship to the place agreed in the contract to unload the goods.

(2) If only the port or area where the ship will unload is not determined in the contract, the ship waits for the unloading place to be determined in the waiting area allocated for this port or area.

**II- Unloading expenses**

**ARTICLE 1167**-(1) Unless otherwise stipulated by the contract, unloading port regulations and local custom, the cost of removing the goods from the ship shall be borne by the carrier and the remaining unloading expenses shall be borne by the consignor.

11225

**III- Durations**

**1. Statement of readiness**

**ARTICLE 1168**- (1) Unless it is agreed that the unloading will start on a certain day, the carrier or an authorized representative shall make a preparatory notification to the dispatched in accordance with the provisions of the second to fifth paragraphs.

(2) The readiness notification is made when the ship arrives at the anchorage specified in Article 1166.

(3) In the cases written in the second paragraph of Article 1166, the ship remains in the waiting area if the discharge point is not shown to the ship upon the preparation notification or if the depth of the water, the safety of the ship, local regulations or facilities prevent it from acting in accordance with the instructions given. In the implementation of this provision, the instruction of the port management is the instruction of the consignee.

(4) If a notice is to be given to another person than the one sent, pursuant to the travel charter contract, the bill of lading or a valid instruction given later by the shipper, the notification is made to that person. If the addressee of the notification cannot be found or refrains from receiving the notification, this situation is immediately notified to the shipper. In this case, the preparatory notification shall be deemed to have been made on the date of the notification attempt.

(5) The validity of the readiness statement is not dependent on any form. In order for the preparatory notification to take effect, it must reach the addressee.

**2. Discharge time**

**ARTICLE 1169**- (1) The first calendar day following the delivery of the readiness notification to the addressee, and if the unloading has actually started, the unloading period starts from that moment. In case the evacuation cannot actually start as soon as the time period starts to run, Article 1172 is applied.

(2) If the unloading time is not determined by the contract, the required time in case of uninterrupted operation of twenty-four hours is considered as the unloading time. While calculating this period, the port where the unloading will take place, the ship performing the transport, the unloading facilities and vehicles and the nature of the goods, the regulations of the unloading port and local customs are taken into consideration.

(3) The parties may decide to pay a fee for the discharge period.

**3. Surcharge time**

**ARTICLE 1170**-(1) If agreed in the contract, the carrier has to wait longer than the unloading time. This extra expected time is called the 'censorship time'.

(2) In the contract, if the demurrage or only the demurrage fee is mentioned but the demurrage period is not specified, this period is ten days.

(3) The demurrage period starts to run without any notification when the discharge period is over.

**4. Surastaria coin**

**ARTICLE 1171**-(1) “Surastar fee” is paid to the carrier for the period of the demurrage.

(2) If the amount of the demurrage money is agreed upon by contract, the carrier cannot make a claim exceeding the amount specified in the contract.

11226

(3) If the amount is not agreed in the contract, compulsory and useful expenses incurred by the carrier due to waiting exceeding the discharge period may be requested as demurrage money.

(4) The debtor of the demurrage money born at the port of discharge is the shipper.

(5) The demurrage money arising at the port of discharge becomes due at the end of the time unit taken as basis in the calculation of the demurrage period. No deductibles can be claimed for unused time units.

(6) The provisions regarding freight cannot be applied even by analogy to the demurrage money arising at the port of discharge.

**5. Calculation of discharge and dewatering times**

**ARTICLE 1172**-(1) The unloading time is calculated continuously according to the calendar.

(2) The days when the goods cannot be disembarked from the ship due to incidental reasons in the field of activity of the consignee are also taken into account in the calculation of the unloading period.

(3) The days when it is not possible to remove the goods from the ship due to accidental reasons in the field of activity of the carrier are not taken into account in the calculation of this period.

(4) Days when it is not possible to remove the goods from the ship and take them ashore due to incidental reasons such as storm, ice invasion or mobilization, which are related to the field of activity of both parties, are added to the unloading period; to the extent that it is within the unloading period, the shipper is obliged to pay the demurrage fee to the carrier for these days.

(5) In the cases written in the third and fourth paragraphs, the time starts to run from where it was stopped as soon as the unloading is actually continued.

(6) The censorship period is calculated uninterruptedly, without being affected by the conditions specified in the second to fifth paragraphs; unless the birth of these states is caused by the fault of the carrier.

**6. Boost bonus**

**ARTICLE 1173**-(1) In case the unloading is completed before the unloading period agreed in the contract, the agreements stipulating that the carrier pays a money to the shipper for the unused period are valid. In the calculation of the period for this money, the rules regarding the calculation of the discharge period are applied.

(2) If the contract made is for the purpose of circumventing the administrative, financial or penal provisions applicable at the loading or unloading port regarding the determination of the freight, the first paragraph shall not be applied.

**IV- Absence of unloading at all or on time**

**ARTICLE 1174**-(1) If the consignee has declared that he is ready to receive the goods, but has not received the goods within the unloading time and the demurrage period if agreed, the carrier may use the rights envisaged in Articles 107 to 109 of the Turkish Code of Obligations, after notifying the consignee.

(2) If the consignee refrains from receiving the goods or does not declare whether he is ready to receive the goods upon the notification written in Article 1168, or if he cannot be found, the carrier is obliged to act in the manner indicated in the first paragraph and at the same time notify the shipper of the situation.

(3) In the cases set out in the previous paragraphs, if the discharge time has passed due to the delay of the consignee or the delivery process, the carrier may request a demurrage fee. The carrier may claim compensation for all the damage incurred due to delays after the demurrage period has expired.

11227

**V- In partial charter contracts**

**ARTICLE 1175**-(1) If independent cruise charter contracts are made with more than one shipper for parts or certain parts of the ship, Articles 1168 to 1174 are applied separately for each contract.

**VI- Kırkambar contract**

**1. Unloading works**

**ARTICLE 1176**-(1) Kırkambar is obliged to take delivery of the goods without delay upon the notification of the carrier or an authorized representative sent in the contract. If the sender is not recognized, notification is made by posting, as is local custom.

(2) The provision of Article 1174 is also applied to the Kırkambar contracts. According to this article, the notification to be made to the shipper is made through announcements according to local custom.

**2. Shipper's contracts with third parties**

**ARTICLE 1177**-(1) If the whole or a part or a certain part of the ship is allocated to the shipper and the shipper has made forty-barn contracts with third parties, the rights and obligations of the carrier who has made the voyage charter contract continue to be subject to the provisions of Articles 1168 to 1174.

**THIRD SEPARATION – Responsibility and Rights of the Carrier**

**A) Responsibility of the carrier**

**I- in general**

**ARTICLE 1178**- (1) The carrier is obliged to show the care and attention expected from a cautious carrier in the performance of the freight contract, especially in the loading, stowage, handling, transportation, protection, supervision and unloading of the goods.

(2) The carrier is liable for the loss or damage of the goods or the damages arising from the late delivery, provided that the loss, damage or delay in delivery occurred while the goods were in the possession of the carrier.

(3) From the moment when the goods are received by the carrier, from the shipper or a person acting on his behalf or on his behalf, or from the authorities or third parties that are required to deliver the goods for carriage pursuant to the laws and regulations applied at the port of shipment;

a) The date on which it is delivered to the consignee by the carrier or

b) In cases where the consignee refrains from receiving the goods, the moment when the consignee is kept ready for his order in accordance with the provisions of the contract or the law or the commercial custom applied at the port of discharge, or

c) The moment when the goods are delivered to the authorities or third parties that are required to be delivered to them in accordance with the applicable laws and regulations at the port of discharge,

shall be deemed to be in the possession of the carrier.

(4) If the goods are not delivered within the time period when delivery of the goods can be reasonably requested from a prudent carrier, depending on the circumstances of the event, if there is no time or an expressly agreed time at the port of discharge specified in the freight contract, it is assumed that there is a delay in delivery.

(5) The person who can claim compensation based on the loss of the goods may consider the goods not delivered within sixty consecutive days from the expiry of the delivery period pursuant to the fourth paragraph as lost.

11228

**II- Cases of release from liability**

**1. The reason that cannot be loaded to the carrier**

**ARTICLE 1179**- (1) The carrier is not responsible for any damage caused by the causes that are not caused by the intention or negligence of the carrier or its men. The burden of proving that the intention or negligence of the carrier or his men did not cause this damage rests with the carrier.

(2) The term "carrier's men" includes the crew of the ship used in the carriage, the persons employed or authorized by the carrier to represent the carriage company, and other persons used in the performance of the freight contract even if they are not employed in the carriage company. The provisions regarding the actual carrier are reserved.

**2. Technical defect and fire**

**ARTICLE 1180**-(1) If the damage is the result of fire or an act related to the ship's shipping or other technical management, the carrier is solely responsible for his own fault. Measures taken for the benefit of the cargo are not considered to be included in the technical management of the ship.

(2) In case of doubt, it is assumed that the damage is not the result of technical management.

**3. Rescue at sea**

**ARTICLE 1181**- (1) Except for the general average, the carrier is not liable for any damage caused by saving life and property at sea or attempting to save. If the attempt is aimed solely at salvaging items, it must also establish a reasonable course of action.

**III- Cases where the carrier benefits from the presumption of perfection and appropriate causal link**

**ARTICLE 1182**-(1) The carrier and its employees are deemed to be faultless if the damage is due to the following reasons:

a) Dangers and accidents of the sea or other waters suitable for the operation of the ship.

b) Incidents of war, disturbances and riots, acts of public enemies, orders of competent authorities or quarantine restrictions.

c) Seizure decisions of the courts.

d) Strikes, lockouts or other obstacles to work.

e) Acts or omissions of the shipper, the shipper, the owner of the goods and their representatives and employees.

f) Spontaneous decrease in volume or weight, or hidden defects of the goods, or the natural type and nature of the goods.

g) Inadequacy of packaging.

h) Lack of signs.

(2) If it is proven that an event for which the carrier is responsible for the emergence of the reasons in the first paragraph, the carrier cannot be relieved of its responsibility.

(3) If the damage is likely to result from one of the reasons listed in the first paragraph, according to the requirements of the situation, it is assumed to have arisen from this reason; however, the contrary can be proven.

**IV- Combination of causes**

**ARTICLE 1183**- (1) In case the fault of the carrier or its employees causes loss, damage or delay in delivery for any other reason, the carrier is liable only for the part of the loss, damage or delay in delivery attributable to the specified fault. For such a partial liability, the part of these situations that cannot be attributed to the said fault must be proved by the carrier.

11229

**V- Review and notification**

**1. Review**

**ARTICLE 1184**-(1) Sent; Before receiving the goods, the carrier, the master or the consignee may have the goods examined by the court or other competent authorities, or by authorized experts for this matter, in order to determine the condition, size, number or weight of the goods. Whenever possible, the other party is also present at the inspection.

(2) Examination expenses belong to the applicant. If a loss or damage is determined in the application for inspection, which the carrier has to compensate for, the inspection expenses shall be borne by the carrier.

**2. Notification**

**ARTICLE 1185**- (1) The loss or damage must be notified in writing to the carrier at the latest during the delivery of the goods to the consignee. If the loss or damage is not evident externally, it is sufficient to send the notification within three consecutive days from the date of delivery of the goods to the consignee. In the notice, it is necessary to indicate in general the reason why the loss or damage consists.

(2) If the examination of the goods has been made with the participation of the parties by the court or the competent authority or experts officially appointed for this matter, there is no need for notification.

(3) In case of real or potential loss or damage, the carrier and the consignee are obliged to provide all kinds of facilities suitable for each other in order to examine the goods and determine the number of parcels.

(4) If the loss or damage of the goods is neither reported nor detected, it is deemed that the carrier has delivered the goods as written in the shipping bill of lading and if it is determined that a loss or damage has occurred in the goods, this loss is due to a reason for which the carrier is not responsible. So much so that these presumptions can be disproved.

(5) The delay in the delivery of the goods must be notified in writing to the carrier within sixty days to be calculated continuously from the date of delivery by the consignee. No compensation will be paid for delay damages that are not notified in due time.

(6) If the goods have been delivered by the actual carrier, any notification made to it pursuant to this article shall be deemed to have been made to the carrier and any notification to the carrier shall be deemed to have been made to the actual carrier. A notification made to a person who is the carrier or acting on behalf and on behalf of the actual carrier, including the master and the responsible ship's officer, is deemed to have been made to the carrier or the actual carrier.

**VI- Right to limit liability**

**1. Limits of liability**

**ARTICLE 1186**- (1) The carrier, due to any loss or damage to the goods or to the goods, in any case, shall be entitled to 666,67 Special Drawing Rights per parcel or unit, or the gross weight of the goods lost or damaged, provided that the higher limit is applied. shall not be liable for damage exceeding the amount covering two Special Drawing Rights per kilogram; unless the type and value of the goods have been declared by the shipper before loading and written on the shipping bill. The Special Drawing Right is converted into Turkish Lira according to the value determined by the Central Bank of the Republic of Turkey on the actual payment day or on another date agreed by the parties.

11230

(2) The sum of the compensation to be paid by the carrier is calculated according to the value of the goods at the place and date when they are unloaded from the ship or need to be unloaded in accordance with the freight contract. The value of the goods is determined according to the stock market price or, if there is no such price, the current market price, or in the absence of both, the ordinary value of the goods of the same quality and quality.

(3) If the goods are packed in a container, pallet or similar transport device, each parcel or unit written on the sea transport document as the content of the said transport shall be considered a separate parcel or unit. Otherwise, such a transport device is counted as a single parcel or unit. If the transport equipment itself is lost or damaged, the transport equipment shall be considered a separate parcel, unless it is owned or supplied by the carrier.

(4) If the shipper's notification in accordance with the first paragraph is written on the shipping bill, these records constitute a presumption, but this presumption is not binding for the carrier; The third paragraph of article 1239 does not apply to the records in question.

(5) If the shipper has deliberately misrepresented the type or value of the goods, the carrier shall not be liable for the loss or damage suffered by the goods or related to the goods in any case.

(6) The liability of the carrier arising from exceeding the transportation period is limited to two and a half times the freight to be paid for the delayed goods; provided that this amount cannot be more than the total freight to be paid according to the freight contract.

(7) In case that the first and sixth paragraphs are applied together, the total liability of the carrier cannot exceed the amount to which he will be liable for compensation pursuant to the first paragraph in case he is responsible for the complete loss of the goods.

(8) The parties may agree on amounts higher than the limits set forth in the first and sixth paragraphs; so far, the limit agreed by the parties in terms of the first paragraph cannot be lower than the limit, whichever is higher than the limits stipulated in that paragraph.

**2. Loss of the right to limit liability**

**ARTICLE 1187**-(1) If it is proven that the damage or delay in delivery is caused by an act or omission committed with an intentional or reckless behavior and with the awareness of the possibility of such a damage or delay, the carrier cannot benefit from the limits of liability stipulated in Article 1186.

(2) Persons of the carrier who are proven to have caused the damage or delay in delivery by an act or omission committed with an intentional or reckless behavior and with the awareness of the possibility of such a damage or delay, cannot also benefit from the liability limits set forth in Article 1190, based on the second paragraph of Article 1186.

**VII- Time to claim compensation**

**1. Infringement period**

**ARTICLE 1188**-(1) Any right to claim compensation against the carrier due to loss or damage of the goods and late delivery shall be forfeited if no legal action is taken within one year.

(2) This period starts to run from the date when the carrier delivers the goods or a part of it, or if the goods have not been delivered at all, from the date on which it should be delivered.

(3) The recourse action of the person held liable may also be brought after the expiry of the period of limitation stipulated in the first paragraph. However, the right to file a recourse lawsuit is forfeited unless it is exercised within ninety days from the date on which the person who has this right pays the requested compensation or receives the petition for the compensation action brought against him.

11231

(4) This period may be extended by an agreement of the parties after the cause of action arises.

**2. Loss of the right to benefit from the impeachment period objection**

**ARTICLE 1189**-(1) If the addressee of the compensation request delays the injured party in such a way as to cause him to miss the time to file a lawsuit, he cannot benefit from the objection that the time limit has passed.

(2) In this case, the period of filing a lawsuit starts to run from the date the injured party learns of this situation.

**VIII- Non-contractual claims**

**ARTICLE 1190**-(1) The provisions regarding the release of the carrier from liability and the limitation of liability shall apply to all lawsuits to be filed against the carrier, based on tortious act or any other reason, due to the loss, damage or late delivery of the goods subject to the freight contract.

(2) If such a lawsuit is brought against one of the carrier's men, he may also benefit from the right to limit liability in cases where the carrier is released from liability, provided that he proves that he has acted within the limits of his duty or authority.

(3) The sum of the compensation amounts that may be requested from the carrier and his employees cannot exceed the liability limit stipulated in Article 1187, without prejudice to the provision of Article 1186.

**IX- Liability of actual carrier**

**1. In general**

**ARTICLE 1191**-(1) If the realization of the carriage is left to an actual carrier, in whole or in part, the carrier remains responsible for the entire carriage, regardless of whether it has a right of release under the freight contract. The carrier is also responsible for the acts and omissions of the actual carrier and his men, who act within the limits of his duty and authority, according to the provisions of this Law.

(2) All provisions of this Law pertaining to the responsibility of the carrier also apply to the liability of the actual carrier for the carriage performed by him. In case a lawsuit is filed against the agents of the actual carrier, the second paragraph of Article 1187 and the second and third paragraphs of Article 1190 shall apply.

(3) Special agreements, which result in the carrier assuming a debt or obligation not imposed on him by law, or waiving a recognized right, shall not be valid for the actual carrier unless its express and written consent is obtained; however, a special agreement made in this regard continues to bind the carrier even without the consent of the actual carrier.

(4) The responsibilities of the carrier and the actual carrier are several and several if and to the extent they are responsible for the same damage.

(5) The sum of the compensation to be paid by the carrier, the actual carrier and their employees cannot exceed the limits of liability stipulated in this Law.

(6) The provisions of this article do not affect the recourse relationship between the carrier and the actual carrier.

11232

**2. Irresponsibility requirement**

**ARTICLE 1192**-(1) Without prejudice to the provision of the first paragraph of Article 1191, if it is stipulated in a freight contract that a certain part of a carriage that is the subject of the contract will be carried out by a person other than the carrier, the contract will indicate the loss that will occur while the goods carried in the relevant part of the carriage are under the control of the actual carrier. provision may be made that the carrier is not liable for damage or delay in delivery; to the extent that such agreements limiting or eliminating liability are invalid in cases where a lawsuit cannot be brought against the actual carrier in the authorized Turkish court. The burden of proving that loss, damage and delay in delivery occurred while the goods were under the control of the actual carrier rests with the carrier.

(2) The validity of a condition that limits or eliminates liability depends on the understanding of the actual carrier's name, title and workplace address from the freight contract. If the actual carrier to perform the carriage has not been determined during the conclusion of the freight contract, the carrier shall notify the actual carrier's name, title and workplace address, as soon as it is determined and at the latest following the delivery of the goods to the actual carrier. If this notification is not made, the responsibility of the carrier continues.

(3) The actual carrier is responsible for the loss, damage or delay in delivery that occurred while he was in control of the goods, in accordance with the second paragraph of Article 1191.

**B) Rights of the carrier**

**I- Right to demand payment of freight**

**1. Amount**

**a) freight on measure, scale or number**

**ARTICLE 1193**- (1) If the freight is determined on the size, weight or number of the goods, in case of doubt, the freight amount is determined according to the size, weight or number of the goods delivered to the sender.

**b) Freight on time**

**ARTICLE 1194**- (1) The freight agreed on time starts to run from that day if it is foreseen that the loading will start on a certain day, otherwise, from the day following the day of the preparatory notification pursuant to Article 1152. In the voyage with bile, it starts to run from the day the ship departs, unless this news is given until the day following the day when the notification of readiness for the voyage is announced and one day before the start of the voyage.

(2) If a delisting is provided, the agreed freight on time does not operate during the delisting.

(3) The freight agreed upon time does not operate after the day the unloading is completed.

(4) If the journey is delayed or interrupted without the fault of the carrier, the freight agreed on time is also paid for the intervening days, without prejudice to the provisions of the first paragraph of Article 1221 and the second paragraph of Article 1222.

**c) If the freight is not agreed**

**ARTICLE 1195**-(1) If the freight amount for the goods received for carriage has not been agreed, the usual freight at the time and place of loading is paid.

11233

(2) If the goods received for carriage are more than the agreed amount, freight is paid for the excess according to the proportion of the amount determined in the contract.

**d) Premiums and expenses excluding freight**

**ARTICLE 1196**- (1) The carrier may not make any other claims under the name of dividend, premium, tip or similar, other than freight.

(2) Unless there is a contract to the contrary, it is not obligatory to pay the ordinary and extraordinary expenses of shipping, especially the duties and fees related to pilotage, port, lighthouse, tugboat, quarantine, ice breaking and similar services, and to take measures regarding the reasons causing these expenses, if it is not liable according to the provisions of the freight contract. even, it falls to the bearer alone.

(3) The provisions of the second paragraph shall not apply to the general average cases and the expenses incurred for the protection, securing and salvage of the goods.

**2. Freight due**

**ARTICLE 1197**-(1) Freight becomes due at the time the delivery of the goods is requested and in any case at the end of the unloading period.

**3. Release the goods at the freight place**

**ARTICLE 1198**- (1) The carrier shall not be obliged to accept the goods for freight, regardless of whether they are damaged or damaged.

**4. Condition of the lost goods**

**ARTICLE 1199**-(1) Freight is not paid for the goods lost as a result of an accident until the end of the unloading period, and if paid in advance, it is refunded. If the freight is determined as a lump sum, the loss of a part of the goods gives the right to demand that the freight be reduced at that rate.

(2) Freight is paid, regardless of whether they have been delivered or not, for goods that have been lost due to their nature, especially due to deterioration, spontaneous depletion and ordinary flow and leakage, and animals that die on the way.

(3) The general average provisions are applied for the cost shares to be paid for the freight falling on the goods sacrificed due to the general average.

**5. Freight payer**

**ARTICLE 1200**-(1) The debtor of the freight is the shipper.

**II- Right to imprisonment**

**1. In general**

**ARTICLE 1201**- (1) The carrier has the right of lien on the goods in accordance with Articles 950 to 953 of the Turkish Civil Code for all receivables arising from the freight contract. The right of imprisonment continues as long as the goods are in the possession of the carrier; Even after delivery, it is possible to use the powers arising from the right of imprisonment, provided that an application is made to the court within thirty days and the goods are still in the possession of the sender.

(2) The right of imprisonment only guarantees the receivables arising from the journey on which the goods on which the right of imprisonment is used are transported.

(3) The right of imprisonment can only be exercised on the goods in the amount to be secured; however, for general average and salvage receivables, the carrier may exercise the right of lien on the whole of the goods.

11234

**2. Deposit of the contested amount and guarantee**

**ARTICLE 1202**- (1) If a dispute arises about the receivables of the carrier, the carrier is obliged to deliver the goods as soon as the disputed amount is deposited to the place determined by the court.

(2) After the delivery of the goods, the carrier may withdraw the deposited amount by showing sufficient collateral.

**III- Status of third party sender**

**1. Emergence of payment obligation**

**ARTICLE 1203**- (1) If the goods are to be delivered to a person other than the shipper, when that person requests delivery of the goods pursuant to a contract of freight or a bill of lading or any other seaway bill of lading, he is authorized to pay in accordance with the terms of the contract on which the claim is based, or of the bill of lading or any other seaway bill of lading. It is obliged to pay the receivables, to pay the customs duties and other expenses if it has been paid on its own account, and to fulfill all other debts that fall on it.

**2. Exercise of the right of imprisonment against the sent**

**ARTICLE 1204**- (1) From the moment the consignee requests the delivery of the goods, he has to endure the use of the right of lien only for the claims stipulated in Article 1203; The right of lien cannot be exercised for other receivables.

(2) In this case, in the proceedings to be carried out in accordance with Articles 1398 to 1400, the notifications and notifications to be made to the debtor are made to the sender. If the consignee is not found or refrains from receiving the goods, notifications and notifications must be made to the shipper.

(3) If the goods have been transported on the basis of only one freight contract and will be delivered to various consignors based on more than one bill of lading or another seaway bill of lading, the right of retention shall be exercised separately for the claims corresponding to each bill of lading or another maritime bill of lading.

**3. Right of recourse**

**a) In case of delivery of the goods**

**ARTICLE 1205**-(1) The carrier, who has delivered the goods to the consignee, cannot demand payment of the receivables that may be requested from the consignee pursuant to Article 1203, from the shipper. However, the carrier may recourse to the shipper to the extent that the shipper becomes rich unjustly to the detriment of the carrier.

**b) In case the right of imprisonment is converted into money**

**ARTICLE 1206**-(1) If the carrier has requested that the goods on which he has the right of lien be converted into money, but has not fully received his receivables as a result of the sale, he may request it from the shipper to the extent that he cannot obtain his receivables arising from the freight contract made between him and the shipper.

**c) In case the consignee does not receive the goods**

**ARTICLE 1207**-(1) If the consignee does not use his right to demand the delivery of the goods, the shipper is obliged to pay the freight and other receivables to the carrier in accordance with the freight contract.

(2) In the receipt of the goods by the shipper, the provisions regarding unloading shall be applied by the shipper to the place of dispatch.

11235

**FOURTH SECTION – Responsibility of Shipper and Shipper**

**A) Liability for fault**

**ARTICLE 1208**- (1) The shipper and the shipper shall not be liable for the damage suffered by the carrier or the actual carrier due to the loss or damage of the ship or for any other reason, unless it is caused by the fault of themselves or their crew.

(2)Special provisions are reserved.

**FIFTH DISCRIMINATION – Due to Reasons Preventing the Start or Continuation of the Journey**

**Termination of Contract**

**A) Termination of the contract**

**I- Due to the loss of the ship**

**1. Before the journey begins**

**ARTICLE 1209**-(1) If the ship is lost due to an unexpected situation before the voyage starts, the freight contract is void without either party being obliged to give compensation to the other. In this case, only the debts incurred up to the moment of the loss of the ship must be fulfilled.

**2. After the journey begins**

**a) Distance freight**

**ARTICLE 1210**-(1) If the ship is lost due to an unexpected situation after the voyage has started; Except for the receivables that have arisen until that moment, the carrier must also pay the distance freight, even if the goods rescued from the lost ship and secured are brought to another port.

(2) Distance freight is calculated in an equitable manner according to the amount of the salvaged goods, the distance traveled until the time of loss of the ship, the expenses and duration of the journey, the risks incurred and the degree of difficulty.

(3) The distance freight cannot exceed the value at the place and date of the recovery of the goods.

**b) Captain's obligations**

**ARTICLE 1211**- (1) The cancellation of the freight contract due to the loss of the ship due to an unexpected situation does not relieve the captain of his obligation to protect the interests of those who are related to the cargo, in accordance with Article 1112, in the absence of them. In case of an emergency, the master has to transport the goods to the port of arrival with another ship for the account of the relevant persons, or to ensure that the goods are stored in a safe place or sold at a reasonable price, without even needing to consult beforehand. The captain is also authorized to pledge the goods or sell some of them in order to meet the expenses required for the performance of these obligations and the maintenance of the goods.

(2) The master is not obliged to dispose of the goods or to deliver them to another ship for transport, unless the receivables of the carrier arising from the distance freight and the general average loss and salvage receivables that limit the goods are paid or sufficient security is provided for them.

11236

(3) In addition to the carrier, the owner is also responsible for the damages that may arise from the captain's fulfillment of his obligations according to the provisions of the first paragraph.

**3. Loading and transferring to another ship**

**ARTICLE 1212**-(1) If the carrier is authorized to load or transfer the goods to another ship other than the one named in the contract, in case of loss of this ship, the carriage may be carried out or completed with another suitable ship. The carrier is obliged to inform the shipper of his choice without delay.

**4. Ship becoming seaworthy**

**ARTICLE 1213**- (1) A ship that has become unfit for sea is deemed to have been lost by the court's determination decision.

**II- Due to the loss of the goods**

**1. Before the journey begins**

**a) If the goods are determined individually in the contract**

**ARTICLE 1214**-(1) In the event that all of the goods determined individually in the contract are lost due to an unexpected situation, the contract between the parties shall be null and void without either party being obliged to give compensation to the other. However, the receivables that have arisen up to that time must be fulfilled.

(2) In case of loss of a part of the goods, the shipper is authorized to cancel the contract by paying half of the agreed freight or to load other goods provided that the condition of the carrier is not difficult. If the shipper does not use these optional rights until the ship leaves the port, it is obliged to pay the full freight.

(3) The shipper, who prefers to load other goods instead of the lost ones, is obliged to finish this loading as soon as possible and compensate for the damages caused by bearing the expenses.

**b) If the goods are specified in the contract by type or type**

**ARTICLE 1215**-(1) The contract between the parties does not expire, even if the goods not individually specified in the contract are lost before delivery for loading.

(2) The right of the shipper arising from Article 1144 regarding the loading of goods other than the agreed one is reserved.

(3) The delivery of the goods for loading, which is indicated in the contract only by type and type, makes it individually determined.

(4) If the goods shown in the freight contract with their type and type are completely lost after they are loaded on the ship before the waiting period expires or after they are received by the captain at the loading place to be loaded on the ship, the shipper shall notify without delay that he is ready to deliver other goods instead of the lost ones, and again within the same period. If the delivery of the goods begins, the contract will not be voided. Except for completing the loading of this goods as soon as possible, the shipper is obliged to take on the excess expenses of this loading and to compensate the damage suffered by the carrier if the waiting period is prolonged due to this loading.

11237

**2. After the journey begins**

**a) All of the goods are lost**

**ARTICLE 1216**- (1) After the journey has started, the freight contract is voided, without the obligation of either party to give compensation to the other, in the event that the transported goods are completely lost due to an unexpected situation. Only other receivables incurred until the end of the contract are paid to the bearer. The second and third paragraphs of article 1199 are reserved.

**b) Loss of a part of the goods**

**ARTICLE 1217**- (1) The loss of some of the goods due to an unexpected situation after the journey has started does not invalidate the agreement between the parties. Full freight is paid to the carrier, even if the lost part of the goods has never been transported or has been removed from the ship while the voyage is in progress; to the extent that the provisions of the second and third paragraphs of Article 1199 are reserved.

**B) Termination of the contract**

**I- Termination by the parties** **entitlement**

**ARTICLE 1218**- (1) Due to a public act such as embargo or seizure of the ship for government service, prohibition of trade with the country of destination, blockade of the ports of loading or destination, prohibition of export of all the goods to be transported pursuant to the contract from the port of loading or import to the port of destination or transit. The fact that the performance of the contract is prevented gives both parties the right to terminate the contract without being obliged to give any compensation.

(2) If the journey has not started yet, in order for the right of termination to be exercised, it must be understood that the situation preventing the performance of the contract will not disappear in a short time according to the current possibilities. On the other hand, if the performance of the contract is prevented after the journey has started, it is necessary to wait for the removal of the obstacle for one month in order to use the right of termination. These periods, if the captain learns of the obstacle while in a port, from the day he heard about the obstacle; otherwise, it will be calculated from the day it reaches a port by ship after the day when the obstacle is notified to it.

(3) The parties may exercise their right of termination without having to wait for a certain period of time in partial travel charter contracts and Kırkambar contracts.

(4) If the ship or all or both of the goods to be transported by the ship in accordance with the freight contract are no longer considered free and there is a danger of their seizure or confiscation due to war, the parties may use their right of termination without having to wait for a certain period of time.

(5) In cases where the obstacle arises before the start of the journey, the right of the shipper arising from Article 1144 to load other goods than the agreed upon goods is reserved.

**II- Situations where the parties do not have the right to terminate**

**1. Obstacles to only part of the item**

**ARTICLE 1219**-(1) Obstacles related to only a part of the goods do not give the parties the right to terminate. In any case, the shipper has to remove the part of the goods that is not considered free due to reasons such as war, export or import ban. However, if the voyage has not started yet, the shipper may load other goods on the ship instead of these, or terminate the contract by paying half of the agreed freight, provided that this does not aggravate the carrier's condition.

11238

Full freight is paid to the carrier, even if the part of the goods that hinders the performance of the contract has never been transported or has been removed from the ship while the voyage continues.

(2) There is no right of termination in partial travel charter contracts and Kırkambar contracts.

**2. The captain's deviation from the course for just cause**

**ARTICLE 1220**- (1) The captain's deviation from the route for saving life and property at sea or for any other justifiable reason does not affect the rights and obligations of the parties and the carrier shall not be liable for any damages that may arise due to this.

(2) The provision of Article 2 of the Turkish Civil Code is reserved.

**3. The ship needs to be repaired during the voyage**

**ARTICLE 1221**- (1) If the ship needs to be repaired during the voyage, the goods can be taken from the ship or the repair can be expected to be completed, provided that the entire freight and all other receivables of the carrier that have arisen up to that point are paid or provided. In cases where the freight is agreed on time, the duration of the repair is not taken into account.

(2) The provision of the first sentence of the first paragraph of Article 1222 is reserved.

(3) If the goods are unloaded during the repair in partial travel charter contracts and forty barn contracts, the shipper may take back the goods provided that the full freight and other receivables are paid.

**III- Effect of other causes**

**ARTICLE 1222**- (1) The delay of the journey after it has started or after it has started due to a natural event or other unexpected situation other than those stipulated in this Law does not change the rights and obligations of the parties; unless the specific purpose of the contract is lost because of this delay. However, in the delays caused by the unexpected situation and which is understood to last for a long time according to the current conditions, the shipper is authorized to unload the goods loaded on the ship by showing a sufficient and appropriate guarantee, provided that the risk and expense belong to him and that they are reloaded on time. In case of not re-loading, the shipper is obliged to pay the entire freight and compensate the damages caused by the unloading.

(2) In cases where the delay is caused by a public disposition, the freight agreed upon time does not operate.

(3) In partial cruise charter contracts and forty-barrel contracts, the shipper can use his right to unload temporarily only if the other shippers agree.

**IV- Right of termination of the person who has the power to dispose of the goods**

**ARTICLE 1223**-(1) In cases where the shipper does not have the authority to dispose of the goods, his right of termination is exercised by the person who has the authority to dispose of the goods.

**V- Exercise of the right of termination**

**1. Notice of termination**

**ARTICLE 1224**-(1) Notice of termination shall be made in writing, including by fax message, electronic letter or similar technical means.

**2. Terms and consequences**

**a) If the contract is terminated before the start of the journey**

**ARTICLE 1225**-(1) If the freight contract is terminated for the reasons set forth in this Separation before the start of the journey, the parties are not obliged to pay compensation to each other, but only to fulfill their debts incurred up to that point.

11239

**b) If the contract is terminated after the journey has started**

**ARTICLE 1226**- (1) If the freight contract is terminated for the reasons stipulated in this Separation after the journey has started, the distance freight to be calculated in accordance with the second paragraph of Article 1210 shall also be included, even if the goods are brought back to the loading port, for the journey made until the right of termination is exercised, excluding the receivables incurred by the carrier until that time. is paid.

(2) Unless otherwise agreed between the parties, the goods are unloaded at the port where the ship is or is closest at the time the right of termination is exercised. If unloading in partial voyage charter contracts and fork warehouse contracts will cause delay of the voyage or transfer, upon termination of the freight contract, the shipper cannot request the unloading of the goods before the destination port, unless the other shippers consent; to the extent that the shipper is obliged to compensate the damage with the expenses arising from the unloading.

(3) In case the contract is terminated after the voyage has started, the provisions of Article 1211 on the captain's obligations shall apply.

**C) Features of multiple trips**

**ARTICLE 1227**-(1) In cases where the ship is held for more than one voyage, the provisions of Articles 1209 to 1226 shall apply only if the nature and content of the contract allow it.

(2) If the ship, which is obliged to travel to the loading port according to the contract, has arrived at the loading port, the carrier for this journey is also paid the distance compensation to be calculated in accordance with the second paragraph of Article 1210.

**SECTION SIX – Seaworthy Bills of Carriage**

**A) Bill of Lading**

**I- Definition, types and arrangement**

**ARTICLE 1228**-(1) A bill of lading is a bill that proves that a contract of carriage has been made, shows that the goods have been received by the carrier or loaded on the ship, and that the carrier is obliged to deliver the goods only in return for its presentation.

(2) With the permission of the shipper, a "consignment bill of lading" can be issued for the goods received for carriage but not yet loaded on the ship. As soon as the goods are taken on board, the carrier is obliged to issue a "loading bill of lading" in as many copies as the shipper wishes in return for the return of the temporary receipt or bill of lading. If an annotation is given on the delivery bill of lading regarding when and on which ship the goods were loaded, this bill of lading is considered a "loading bill of lading". The bill of lading may be drawn up on behalf and account of the carrier by the master or the carrier or a representative authorized by the captain in this regard.

(3) Bills of lading can be issued in written form to name, order and pregnant. Unless otherwise agreed, upon the request of the shipper, the bill of lading is issued for the order of the sender or only as an order. In this final state, "order" means to the order of the shipper. The bill of lading may also be written on behalf of the carrier or the captain as the consignee.

(4) All copies of the bill of lading must contain the same text and it must be shown in how many copies it has been issued in each.

11240

(5) The shipper must, upon request, give the carrier a copy of the bill of lading signed by him.

**II – Content**

**ARTICLE 1229**-(1) The bill of lading contains the following records:

a) The general type of the goods loaded on the ship or received for loading in accordance with the shipper's declaration, the mandatory markings for identification, a clear information about whether they are dangerous goods when necessary, the number of parcels or pieces and their weight or otherwise expressed.

b) The externally obvious state and condition of the goods.

c) Name and surname or trade name and business center of the carrier.

d) Captain's name and surname.

e) The name and nationality of the ship.

f) Name and surname or trade name of the shipper.

g) If notified by the shipper, the name and surname or trade name of the consignee.

h) According to the freight contract, the port of loading and the date when the carrier receives the goods at the port of loading.

i) According to the freight contract, the port of discharge or the place where instructions will be received.

j) The place and date of issuance of the bill of lading.

k) The signature of the person carrying or acting on his behalf.

l) Records that the freight will be paid by the consignor, if it is to be paid, its amount.

m) If expressly agreed in the freight contract, the date and period of delivery of the goods at the unloading port.

n) Any condition that expands the limits of liability.

o) Other records deemed appropriate by the parties.

(2) The absence of one or more of the elements listed in the first paragraph in the bill of lading does not prevent the bill from being considered a bill of lading; as long as the deed bears the elements written in the first paragraph of article 1228.

**III- Provisions**

**1. The nature of being a negotiable document**

**a) Delivery of the goods to the authorized bill of lading bearer**

**aa) in general**

**ARTICLE 1230**-(1) The legitimate holder of the bill of lading is authorized to receive the goods.

(2) If the bill of lading is issued in more than one copy, the goods are delivered to the legitimate holder of a single copy.

**bb) Application of more than one bill of lading holder**

**ARTICLE 1231**- (1) If more than one legitimate bearer of the bill of lading applies at the same time, the captain must reject all requests and deliver the goods to the public warehouse or other safe place, and notify this to the aforementioned bearers of lading by showing the reasons for his action in this way.

(2) The captain is authorized to issue an official deed regarding his course of action and reasons; For this reason, article 1201 is applied for the expenses incurred.

11241

**cc) Shipper's instruction**

**ARTICLE 1232**-(1) If a bill of lading has been issued to the order, the captain will only carry out the shipper's instructions regarding the return or delivery of the goods if all copies of the bill of lading are returned to him.

(2) If a bill of lading requests the delivery of the goods before the ship arrives at the port of destination, the same provision applies.

(3) If the captain acts contrary to these provisions, the carrier remains liable to the legitimate bearer of the bill of lading.

(4) If the bill of lading is not written to the order, the goods are returned or delivered, even if no copy of the bill of lading is presented, if the shipper and the person whose name is written on the bill of lading consent. In so far, if all copies of the bill of lading have not been returned, the carrier may request a guarantee first for any damages that may arise due to this.

**dd) Termination of the freight contract due to unexpected circumstances**

**ARTICLE 1233**-(1) In case the freight contract is terminated spontaneously or as a result of annulment pursuant to Articles 1209 to 1227 due to an unexpected situation before the ship's arrival at the port of destination, the provision of Article 1232 shall apply.

**b) Representation of the goods by the bill of lading**

**aa) in general**

**ARTICLE 1234**- (1) When the goods are received for carriage by the master or another representative of the carrier, the delivery of the bill of lading to the person authorized to take delivery of the goods in accordance with the bill of lading, without prejudice to the provisions of Article 1235, has the legal consequences set forth in Articles 957 and 980 of the Turkish Civil Code.

**bb) More than one bill of lading holder**

**ARTICLE 1235**- (1) If a bill of lading is issued in more than one copy, the holder of one of the copies cannot claim the results of the delivery of the bill of lading pursuant to article 1234, against the person who received the goods from the captain in accordance with article 1230, based on another copy before he or she requests delivery.

(2) If, before the captain has delivered the goods, more than one bill of lading applies to him and asserts contradictory rights on the goods based on the copies of the bill of lading they hold, the first endorsement and delivery of the goods will be authorized by the joint endorser who has transferred multiple copies of the bill of lading to various persons. the holder of the copy is preferred over the others. For the copy of the bill of lading that is endorsed and sent to another place, the date of sending is the date of delivery to the bearer of the bill of lading.

**cc) Delivery of the goods in exchange for the return of the bill of lading**

**ARTICLE 1236**-(1) The goods are delivered only in return for the return of the copy of the bill of lading, with an annotation stating that the goods have been received.

**2. Proof function**

**a) Proving the legal relationship**

**ARTICLE 1237**-(1) The bill of lading is taken as a basis in the legal relations between the carrier and the bill of lading holder.

(2) Legal relations between the carrier and the shipper shall be subject to the provisions of the freight contract.

11242

(3) If there is a reference to the travel charter contract in the bill of lading, a copy of the charter lot must be submitted to the new pregnant woman while the bill of lading is transferred. In this case, the provisions of the charter party can also be asserted against the bill of lading holder to the extent their qualifications allow. However, the provision of the second sentence of the first paragraph of Article 1245 is reserved.

**b) Proof of carrier**

**ARTICLE 1238**-(1) The person who signs the bill of lading as the bearer or the person whose bill of lading is signed in his own name and account is deemed to be the bearer.

(2) In cases where the name, surname or trade name of the carrier and the business center are not shown or clearly understood in the bill of lading, the owner is deemed to be the carrier; unless, upon the express request of the bearer of bill of lading, the owner has documented this by notifying the carrier's name and surname or trade name and business center.

(3) In the bill of lading drawn up by the master or another representative of the carrier, in cases where the name, surname or trade name of the carrier and the business center are not shown or are not clearly understood, the representative is also considered the carrier together with the owner held responsible pursuant to the second paragraph; unless, upon the express request of the bill of lading, the representative has documented this by notifying the carrier's name and surname or trade name and business center.

(4) In case the name, surname or trade name of the carrier and the operating center are reported incorrectly or late, the carrier, the owner or the carrier's representative are jointly liable for the damages arising from the wrong or late notification; In this case, the period of forfeiting stipulated in Article 1188 shall not start to take effect regarding the claims directed to the carrier until the name, surname or trade name of the carrier and the business center are correctly reported.

**c) Proving the general type, signs, number of parcels or pieces, weight and quantity of the goods**

**ARTICLE 1239**-(1) The bearer, who also includes declarations about the type, signs, number of parcels or pieces, weight or quantity of the goods in general, knows or is justified by showing that these declarations do not accurately and completely show the goods actually received or in case a loading bill of lading has been issued. If he is in doubt for reasons or does not have sufficient means to control these statements, he must put a reservation on the bill of lading explaining that these statements do not comply with the truth, the reasons justifying his suspicion or the lack of adequate control.

(2) If the carrier neglects to declare the externally visible state of the goods on the bill of lading, it is deemed that a declaration has been made on the bill of lading that the goods are in good condition externally.

(3) Without prejudice to the statements about the bill of lading based on the first paragraph, the bill of lading establishes the presumption that the carrier has received the goods as declared in the bill of lading or, if a bill of lading has been issued, that it has loaded it. The contrary of this presumption cannot be proved against the third party who has taken over the bill of lading in good faith, including the one sent, relying on the description of the goods it contains; The fourth paragraph of Article 1186 is reserved.

11243

**d) Proof freight**

**ARTICLE 1240**-(1) A bill of lading that does not contain a record of the freight to be paid by the consignee in accordance with subparagraph (l) of the first paragraph of Article 1229 or the demurrage money to be realized at the loading port and paid by the consignee constitutes a presumption that the consignee is not liable to pay the freight or demurrage money. The contrary of this presumption cannot be proved against the third party who has taken over the bill of lading, including the consignee, which does not contain such a record of freight or demurrage money.

(2) If the freight is determined according to the size, number or weight of the goods and these are shown on the bill of lading, the freight is determined accordingly, unless otherwise stated in the bill of lading. The annotation written in accordance with the first paragraph of Article 1239 is not considered a contrary condition in the bill of lading.

(3) If a reference is made to the contract of carriage for freight, the provisions regarding the unloading period, the demurrage period and the demurrage money are not included in the scope of this dispatch.

**e) Warranties given by the Shipper**

**ARTICLE 1241**-(1) Article 1145 is applied for the records related to the goods placed on the bill of lading.

(2) Any undertaking or agreement that the shipper will indemnify the carrier for the damage incurred by the carrier or its representative due to the issuance of the bill of lading without adding any reservations regarding the condition and quality of the goods, which are declared by the shipper to be placed on the bill of lading, is void against all third parties who acquire it in good faith.

(3) Such a commitment or agreement is valid between the parties; unless the carrier or its representative aims to deceive third parties, including the consignee, acting by relying on the definition of the goods in the bill of lading, by not making the reservation mentioned in the second paragraph. In this case, if the reservation not made on the bill of lading relates to the records notified by the shipper to be written on the bill of lading, the carrier cannot claim compensation from the shipper pursuant to Article 1145.

(4) In case of the existence of the intent to deceive mentioned in the third paragraph, the carrier, who acts by relying on the records in the bill of lading, is liable to third parties, including the consignee, without benefiting from the limits of liability stipulated in Article 1186.

**B) Other seaway bills**

**ARTICLE 1242**-(1) Any bill of lading, other than the bill of lading issued by the carrier to show that he has received the goods to be transported, constitutes the presumption that the contract of carriage has been made and that the goods have been received by the carrier as written in the promissory note; however, this presumption can be disproved.

**YEDİNCİ AYIRIM**

**Mandatory Provisions**

**A) in general**

**ARTICLE 1243**- (1) In a freight contract or bill of lading or other seaway bill of lading;

a) Articles 1141, 1150, 1151 and 1178 to 1192 regarding the debts and responsibilities of the carrier,

11244

b) Articles 1145 to 1149, 1165 and 1208 regarding the debts and responsibilities of the shipper and shipper,

c) Articles 1228 to 1242 regarding transport bills at sea,

All terms and conditions that directly or indirectly remove or reduce debts and responsibilities arising from its provisions are void.

(2) All terms and conditions that result in the transfer of rights and receivables arising from insurance to the carrier or providing similar benefits to the carrier and reversing the burden of proof regulated by laws in favor of the carrier are subject to the provisions of the first paragraph.

(3) The invalidity of the terms and conditions that remove or reduce liability shall not result in the invalidity of the remaining provisions of the freight contract or bill of lading or any other seaway bill of lading.

(4) The terms and conditions that expand or aggravate the debts and responsibilities of the carrier are valid.

**B) Exceptions**

**ARTICLE 1244**-(1) The first paragraph of Article 1243 does not apply in the following cases:

a) If the freight contract is related to live animals or the goods that are actually transported as such, although it is written in the seaway bill of lading that they will be transported on the deck in accordance with the first sentence of the third paragraph of Article 1151.

b) Agreements regarding the transportation of goods carried out in the ordinary course of commerce, although not among the usual commercial transportation works, which are justified by the special characteristics of the goods or the special conditions of the transportation; In this case, it is essential that the transport document includes these agreements and the "not in order" entry.

c) Obligations on the carrier before the goods are loaded and after they are unloaded.

(2) Article 1243 shall not prevent the registration of the general average in the bill of lading.

(3) Mandatory provisions of the Turkish Code of Obligations are reserved for terms and conditions that remove or reduce liability beforehand.

**C) Travel charter contract**

**ARTICLE 1245**-(1) The provision of Article 1243 is not applicable to travel charter contracts. However, if a bill of lading is drawn up on the basis of such a contract, the provision of Article 1243 shall apply to the relationship between the non-shipping bill of lading holder and the carrier.

**CHAPTER FOUR**

**Time out**

**A) Duration**

**ARTICLE 1246**-(1) Without prejudice to the provision of Article 1188, all receivables arising from charter contracts, time charter contracts and freight contracts or bills of lading or its arrangement are time-barred in one year.

(2) This period starts to run when the receivable becomes due.

11245

**SECTION FIVE**

**Contract for Carriage of Passengers by Sea**

**A) Definition**

**ARTICLE 1247**-(1) A passenger carriage contract by sea is a contract made by or on behalf of and on behalf of the carrier for the carriage of the passenger or his passenger and his baggage by sea.

(2) The provisions of this Section shall also apply to commercial passenger carriage contracts made by the state and other public legal entities.

(3) Passenger transportation by air cushion vehicles is not subject to the provisions of this Chapter.

**B) Carrier and actual carrier**

**ARTICLE 1248**- (1) The carrier is the person who made the contract of carriage or made on behalf of and on behalf of the contract of carriage, whether the carriage was carried out by him or by someone else, the actual carrier.

(2) The actual carrier is a person other than the carrier and is the person who actually carries out all or part of the transportation as the owner, charterer or operator of a ship.

**C) Passenger**

**ARTICLE 1249**-(1) Persons transported on the ship with the consent of the carrier, on the basis of a passenger carriage contract by sea, or with regard to vehicles or livestock that are the subject of a freight contract that is not subject to the provisions of this Section, are considered passengers.

(2) If the name of the passenger is written in the contract, the passenger cannot transfer the right of carriage to another person.

**D) Luggage**

**ARTICLE 1250**-(1) Goods and vehicles transported by the carrier pursuant to a passenger carriage contract by sea, except live animals and goods and vehicles transported on the basis of a freight contract, are within the scope of baggage.

(2) The goods that the passenger has in his cabin or in any other way in his possession, control or supervision is his cabin baggage. Except for the application of Articles 1258 and 1263, the luggage of the passenger in his vehicle is also considered as cabin baggage.

(3) Unless otherwise agreed, no fee other than the transportation fee may be charged for the baggage brought to the ship by the passenger pursuant to the contract of passenger carriage by sea.

**E) Obligations of the passenger**

**I- Obeying the captain's instructions**

**ARTICLE 1251**- (1) The passenger must comply with all the captain's instructions for maintaining order on the ship.

**II- Obligation to provide accurate information about baggage**

**ARTICLE 1252**- (1) The passenger has to make a correct statement about the type and nature of the goods brought to the ship as baggage, as well as the dangers. The passenger is liable to the carrier for the damage caused by the inaccuracy of his statements; For this reason, he is responsible for other persons who have been damaged, if the baggage is at fault, except that it is dangerous or has been brought to the ship secretly.

(2) The captain is also authorized to remove the goods brought to the ship by giving incomplete or incorrect information or secretly, from the ship at any time and in any place, and to throw them into the sea when necessary.

11246

(3) If the captain retains the goods brought to the ship secretly as baggage, the passenger is obliged to pay the highest fee charged for such travel and goods at the port of departure and at the time of departure.

(4) The information of the carrier or any other representative authorized to accept such declarations is the information of the master.

**III- Arriving on time**

**ARTICLE 1253**- (1) The passenger must arrive on time at the port of departure before the voyage begins or at the intermediate ports while the voyage continues. Otherwise, the passenger is obliged to pay the entire transportation fee even if he started or continued the journey without waiting for the captain. However, if another passenger is taken instead, this amount is deducted from the transportation fee.

**F) Right of imprisonment of the carrier**

**ARTICLE 1254**- (1) The carrier has the right to lien on the passenger's baggage in accordance with Articles 950 to 953 of the Turkish Civil Code for all receivables arising from the contract of passenger carriage by sea.

**G) Luggage of the deceased passenger**

**ARTICLE 1255**-(1) If the passenger dies during the journey, the provision of Article 915 applies.

**H) Liability for damages suffered by the passenger**

**I- Responsibility of the carrier**

**ARTICLE 1256**- (1) The carrier is liable for damage resulting from the death or injury of the passenger as a result of shipwreck. The carrier's liability is limited to 250.000 Special Drawing Rights for each shipwreck per injured passenger. In so far, the carrier, who proves that the accident was caused by war, terrorism, civil war, rebellion or an exceptional, unavoidable and unavoidable natural event, or entirely from an act or omission of a third party with the intention of causing it, is released from liability. If the carrier is at fault, it will also be liable for the passenger's loss exceeding the above amount; The burden of proving that he is not at fault lies with the bearer.

(2) The carrier shall be liable for the damage caused by the death or injury of the passenger not caused by the ship accident, if he is at fault in the occurrence of the accident causing this damage. The burden of proving fault lies with the plaintiff.

(3) The carrier, who has a fault in the occurrence of the accident that caused the loss or damage of cabin baggage, is responsible for the damage suffered due to this. In terms of damage caused by shipwreck, it is assumed that the carrier is at fault; This presumption can be disproved.

(4) The carrier is liable for the damage arising from the loss or damage of the baggage other than the cabin baggage, unless he has proven that he was not at fault in the occurrence of the accident that caused the damage.

(5) In the implementation of this article;

a) “Ship accident” means the shipwreck, capsizing, running aground, collision, explosion, fire and malfunction on the ship;

b) "Carrier's fault" includes fault committed by the carrier's men while performing their duties;

11247

c) “Defect on the ship” means the passengers leaving the ship, evacuating, embarking and disembarking; the ship's propulsion, steering, safe navigation, berthing, mooring, arrival or departure from the quay and anchorage; in the event of water walking on the ship, in the control of the damage; means that the ship parts or equipment used for launching lifesaving vehicles do not work properly or do not comply with the safety rules at sea;

d) “Damage” does not include punitive or deterrent compensation.

(6) In the application of this Section, “loss or damage to baggage” also includes property damage resulting from the failure to return the baggage that was or should have been carried on board to the passenger within a reasonable period of time after the ship's arrival, excluding delays arising from labor law disputes.

(7) The liability of the carrier according to this article is only related to the damages caused by the accidents occurring during the transportation. The burden of proving that the accident causing the damage occurred during transportation and the extent of the damage is on the plaintiff.

(8) The provisions of this Section do not violate the carrier's right of recourse against third parties, as well as the right to assert joint fault defense and limitation of liability.

(9) Presence of presumption of fault about a party or the fact that the burden of proof is on him does not prevent the consideration of evidence in favor of that party.

(10) The provisions of Articles 1262 and 1263 regarding the upper limits of the responsibilities stipulated in this article are reserved.

**II- Liability of actual carrier**

**ARTICLE 1257**-(1) Even if all or part of the carriage is left to an actual carrier, the carrier remains responsible for the entire carriage in accordance with the provisions of this Chapter. The actual carrier is also responsible for the part of the carriage performed by him, in accordance with the provisions of this Chapter.

(2) The carrier is liable for the fault of the actual carrier and the fault committed by his men while performing their duties, in cases where the carriage is carried out by the actual carrier.

(3) Special agreements, which result in the carrier assuming a debt or obligation not imposed on him by law, or waiving a right granted to him, shall not be valid for the actual carrier unless there is an express and written acceptance.

(4) The responsibilities of the carrier and the actual carrier are several, if and to the extent that they are jointly liable.

(5) The provisions of this article do not affect the recourse relationship between the carrier and the actual carrier.

**III- Transport time**

**ARTICLE 1258**-(1) the period of carriage in the application of the provisions of this Chapter;

a) In terms of passengers and cabin baggage, the length of time the passenger or cabin baggage is on board or taken on board or disembarked from the ship, or the fee is covered by the carriage fee, excluding the time the passenger is at a passenger lounge, quay, pier or any other port facility, or if the vehicle used the additional period of carriage on water for the purpose of taking them from land to ship or from ship to land, provided that they are placed at the disposal of the passenger by the carrier,

11248

b) In terms of cabin baggage, the length of time the passenger has been in a passenger lounge, quay, pier or any other port facility, provided that the baggage has been delivered to the carrier or his crew but has not yet been returned to the passenger by them,

c) In terms of other baggage, the time elapsed from the moment they are received by the carrier or his crew on the shore or on the ship to the moment they are delivered to the passenger,

It covers.

**IV- Compulsory insurance**

**ARTICLE 1259**-(1) In the event that passengers are carried on a ship licensed to carry more than twelve passengers, all carriers who undertake or perform the whole or part of the transportation are obliged to take out insurance against the liabilities that may arise from the death or injury of the passengers. The ceiling of the compulsory insurance cannot be less than 250.000 Special Drawing Rights per person for each accident.

(2) The ship, which does not fulfill the conditions in the first paragraph, is not allowed to sail.

**V- Valuables**

**ARTICLE 1260**- (1) The carrier is not liable for the loss or damage of money, valuable papers, gold, silver, jewellery, works of art, ornaments and other valuables belonging to the passenger; unless it was given to the bearer of such goods for safekeeping. In this case, the carrier shall be liable within the limits stipulated in the third paragraph of Article 1264, unless a higher limit of liability has been determined pursuant to the first paragraph of Article 1263.

**VI- Co-defect**

**ARTICLE 1261**- (1) If the carrier proves that the passenger's intent or negligence caused or had an effect on his death, injury, loss or damage to his luggage, the court may decide that the carrier is not partially or wholly liable.

**VII- Limit of liability arising from bodily harm**

**ARTICLE 1262**- (1) The liability of the carrier pursuant to Article 1256 for the death or injury of the passenger cannot, in any case, exceed 400.000 Special Drawing Rights per passenger for each incident; The provision of the second sentence of the first paragraph of Article 1256 is reserved. If the compensation is determined as annuity, the sum of the principal value of the compensation to be paid cannot exceed this amount.

**VIII- Limit of liability for loss or damage of luggage and vehicles**

**ARTICLE 1263**- (1) The liability of the carrier for the loss or damage of cabin baggage cannot exceed 2.250 Special Drawing Rights per passenger per carriage in any case.

(2) The liability of the carrier for loss or damage to vehicles and any baggage carried in or on them cannot exceed 12.700 Special Drawing Rights per vehicle per carriage in any case.

(3) The liability of the carrier for the loss or damage of baggage other than those specified in the first and second paragraphs cannot, under any circumstances, exceed 3.375 Special Drawing Rights per passenger per carriage.

(4) The carrier and the passenger may agree to apply an exemption not exceeding 330 Special Drawing Rights for the loss or damage of the vehicle, and 149 Special Drawing Rights per passenger for the loss or damage of the other baggage, in order to reduce the liability of the carrier in full.

11249

**IX- Common provisions regarding the limits of liability**

**ARTICLE 1264**- (1) The carrier and the passenger may agree on the limits of liability higher than those stipulated in Articles 1262 and 1263, expressly and in writing.

(2) Interest receivables and litigation expenses are not included in the liability limits in Articles 1262 and 1263.

**X- Defenses and limits of liability of the carrier's men**

**ARTICLE 1265**-(1) If lawsuits are brought against the carrier or the actual carrier's men for damages regulated in this Section, these persons may benefit from the defense opportunities and limits of liability provided for the carrier and the actual carrier in this Section, provided that it is proved that the damage occurred while performing their duties.

**XI- Consolidation of claims**

**ARTICLE 1266**-(1) The limits of liability stipulated in Articles 1262 and 1263 shall apply to the sum of all claims for compensation arising from the death or injury of the passenger or the loss or damage of his luggage.

(2) In carriage performed by an actual carrier, the sum of the compensations to be received from the carrier and the actual carrier and their men acting within the scope of their duties shall not exceed the maximum amount against which the carrier or the actual carrier can be convicted under the provisions of this Chapter; to the extent that none of these persons can be held liable for an amount exceeding the limit of liability applicable to him.

(3) In all cases where the carrier or the actual carrier's employees benefit from the liability limits set forth in articles 1265 and 1262 pursuant to article 1263, the sum of the compensations to be received from the carrier and, as appropriate, from the actual carrier and their employees, cannot exceed these limits.

**XII – Loss of the right to limit liability**

**ARTICLE 1267**- (1) The carrier, who is proven to have caused the damage by an act or omission committed with the intent to cause such a damage or with a reckless behavior and with the awareness of the possibility of such a damage, cannot benefit from the liability limits set forth in the first paragraph of Article 1262 and 1263 and Article 1264. .

(2) The persons of the carrier or the actual carrier, who are proven to have caused the damage by an act or omission committed with the intent to cause such damage or with a reckless act and with the awareness of the possibility of such a damage, cannot benefit from the limits of liability specified in the first paragraph.

**XIII- Basis of the claims**

**ARTICLE 1268**-(1) Compensation action may be brought against the carrier or the actual carrier for the death, injury, loss or damage of the passenger's baggage only in accordance with the provisions of this Section.

**XIV- Notification of loss or damage to baggage**

**ARTICLE 1269**- (1) Passenger, loss or damage to baggage;

a) If externally obvious, before or during unloading of cabin baggage, before or during delivery of other baggage,

b) If it is not obvious externally, within fifteen days from the unloading or delivery of the baggage or the date on which it should be delivered,

notify the carrier or its representative in writing.

11250

(2) If the passenger has not made this notification, he is considered to have received the baggage in good condition until proven otherwise.

(3) Written notification is not required if the condition of the baggage was the subject of a joint examination or determination at the time of delivery.

**XV- Timeout**

**ARTICLE 1270**- (1) All claims for compensation arising from the death and bodily harm of the passenger in favor of the person concerned shall be time-barred in ten years.

(2) All other claims arising from the passenger carriage contract, including the claims arising from the loss or damage of the baggage, are time-barred in two years. This period;

a) In case of loss or damage to baggage, from the date on which the passenger disembarked or should have disembarked, whichever occurred later,

b) For all other receivables, from the date they are due,

starts to work from

(3) The statute of limitations specified in the first and second paragraphs may be extended after the claim for compensation arises, with the written declaration of the carrier or the written agreement of the parties.

**XVI- Mandatory provisions**

**ARTICLE 1271**-(1) Limits of liability stipulated in this Section, which are included in contracts concluded prior to the event resulting in death or injury to the passenger or loss or damage to baggage, which removes the responsibility of any person responsible pursuant to the provisions of this Section, or without prejudice to the provisions of the fourth paragraph of Article 1263. Any condition that lowers or changes the place of the burden of proof falling on the carrier or the actual carrier is null and void. The invalidity of the condition does not result in the invalidity of the contract of carriage.

(2) Authorization and arbitration agreements made before the indemnity claim arises are not valid.

**FIFTH**

**Marine Accidents**

**FIRST PART**

**General Average**

**A) General provisions**

**I- Definition**

**ARTICLE 1272**-(1) In case of knowingly making an extraordinary sacrifice or incurring an extraordinary expense, in order to protect them from a danger threatening together the ship, cargo, other goods and freight embarked on a common maritime adventure, and in a way that constitutes a reasonable course of action, "general average action" ” and losses and expenses that are the direct result of this action are accepted as general average.

(2) Any excess expense taken to prevent an expense to be counted as general average is also included in the general average warranty, up to the amount of the avoided expense, even if other interested parties benefit from these excess expenses.

(3) Losses and expenses included in the general average are divided among the ship, cargo, freight and other goods in accordance with the provisions of this Chapter.

**II- Rules to be applied**

**ARTICLE 1273**-(1) Unless otherwise agreed by the parties, the general average warranty is subject to the most recent York-Antwerp Rules prepared by the International Maritime Committee and translated into Turkish in accordance with the provisions of this article.

11251

(2) The translation of the York-Antwerp Rules is prepared by a specialized committee to be established by the General Directorate of Insurance and the Ministry of Transport, Maritime Affairs and Communications, and is published and announced in the Official Gazette together with the translated original text. Amendments to be made by the International Maritime Committee in the York-Antwerp Rules are translated into Turkish by the same method and published by the relevant undersecretariats ex officio or upon the application of real and legal persons.

**B) Borrowers and collateral**

**I- Debtors of Garame shares**

**ARTICLE 1274-**(1) The personal debtors of the general average interest are the owner of the ship to be entered into the general average at the time of the general average movement, the creditor of the freight at the date of unloading and the owner of the other goods at the date of unloading.

(2) If the sender of the goods to be entered into the parcel knows that a share of gratuity has been deducted when receiving the ware, he is personally liable up to the value of the ware at the time of delivery, to the extent that the gratuity share would have been paid if the item had not been delivered for this share.

**II- Pledge rights of creditors**

**1. In general**

**ARTICLE 1275**- (1) The creditors have the right of the ship's creditor on the ship, the right of lien on the goods to be entered into debt pursuant to Articles 950 to 953 of the Turkish Civil Code, and the pledge of receivables on the freight pursuant to Articles 954 to 961 of the same Law.

**2. Collateral for the share of the gratuity on the ship**

**ARTICLE 1276**-(1) In order for the ship to be able to determine the damage and leave the port where the damage should be shared according to Article 1279, it is obligatory to provide a guarantee to the cargo related parties in return for the losses incurred by the ship.

**3. Exercise of the right to imprisonment**

**ARTICLE 1277**- (1) The captain cannot deliver the goods that will participate in the garage unless the share of the garage is paid or unless a guarantee is given for them in accordance with article 1201; If he does so, he is personally liable for these shares.

(2) If the owner has ordered the action of the captain, the second and third paragraphs of Article 1089 are applied.

(3) The right of retention of the creditors on the goods entered into the debt is exercised by the carrier on behalf of the creditors in accordance with the provisions of Article 1201.

**C) Dispatch**

**I - in general**

**1. Obligation to enforce**

**ARTICLE 1278**-(1) The owner is obliged to dispatch without delay; If he does not fulfill this obligation, he will be liable to each of the concerned.

(2) If the dispatch is not made within the prescribed period, any of the related parties, including the insurer, is authorized to request and have it done.

(3) If the dispatcher's request is rejected by the dispatcher on the grounds that the event will not be considered as general average, the court at the place specified in article 1279 decides whether a dispatch is required or not, upon the application of any of the relevant parties, including the insurer. The court decides on this matter on the file or by listening to the relevant parties, including the insurer. In this case, the simple trial procedure is applied.

11252

**2. Where it will be done**

**ARTICLE 1279**- (1) The determination and allocation of the damage is done at the destination, if not reached, at the port where the journey ends.

**3. Dispatcher**

**ARTICLE 1280**-(1) Dispatch is made by one or more dispatchers to be appointed unanimously by the relevant persons. If unanimity cannot be reached, the dispatcher or dispatchers are appointed by the court of the place where the dispatch will take place.

(2) Each of the persons concerned is obliged to give the dispatcher the documents required and in his possession, especially the charter lots, bills of lading and invoices.

(3) Upon the dispatcher's request, the court orders those who hold them to deliver the documents in their possession, which they are legally obliged to submit, to the dispatcher.

(4) The dispatcher is obliged to give a sample, provided that the relevant persons allow the dispatcher examinations and pay the expenses upon their request.

**II- The right to request approval of the dispatch and objection to the dispatch**

**1. Hearing**

**ARTICLE 1281**-(1) The persons concerned, including the insurers, may request the approval of the dispatch from the court located at the place stated in Article 1279, or they may object to the average type or accounts.

(2) The names and surnames of the persons who will be summoned to the hearing shall be stated in the petition.

(3) Upon the petition, the court asks the dispatcher for documents proving the dispatch and claims; If the completion of these documents is deemed necessary, it orders their submission to those who hold them.

(4) All those concerned are summoned to the hearing. In the call, it is written that the documents proving the despatch and claims can be examined at the court office, and the summoned person can appeal against the despatch before the court, and if the despatch does not arrive on a certain day, it will be deemed to have given approval. The summons must be notified to the relevant parties at least fifteen days before the hearing date.

(5) The objection to the dispatch report must be made in a clear and detailed manner, leaving no room for hesitation, at the latest at the first session. If this is not possible due to justifiable reasons, the judge gives the relevant person an appropriate one-time period to notify the objection. An objection that has not been duly communicated clearly and in detail at the first session or within the period to be given by the judge at the latest, shall be deemed not made.

**2. Approval of dispatch**

**ARTICLE 1282**-(1) A hearing is held with those present on the designated day. The dispatch is approved if no objection has been made against the dispatch, at the hearing or before. If an objection is made, the relevant parties are heard. If the objection is found to be valid or if an agreement is reached in another way, the dispatch is corrected and approved accordingly.

(2) In the event that the objection cannot be resolved immediately, the parts of the dispatch report that are outside the scope of the objection are approved with a separate decision and the hearing continues about the objectionable part.

**3. Procedural provisions to be applied**

**ARTICLE 1283**-(1) Without prejudice to the provisions of Articles 1281 and 1282, the provisions of simple trial procedure shall be applied in the approval of the dispatch and examination of the objections.

11253

**4. Provision of the decision on the approval of the dispatch report**

**ARTICLE 1284**-(1) With the finalization of the decision on the approval of the dispatch report, this decision becomes a judgment issued for the payment of the receivables shown in the report. So much so that the decision to approve an unopposed report has this quality before it becomes final.

(2) The decision regarding the approval of the report shall not have any consequences against the persons concerned who were not duly summoned to the hearing held upon the request for approval.

**D) Timeout**

**ARTICLE 1285**-(1) The general average usury share receivables are time-barred in one year.

(2) The statute of limitations begins to run from the date the ship arrives at the place specified in Article 1279.

**SECOND PART**

**declamation**

**A) Application area**

**ARTICLE 1286**-(1) The provisions of this Chapter apply to compensation for damage to ships and to persons or property on board as a result of the collision of two or more ships.

(2) If the ship causes damage to another ship or people or goods on board by making or not performing a maneuver or by not complying with the navigation rules, the provisions regarding collision are also applied.

**B) Perfect match**

**ARTICLE 1287**- (1) If the collision occurred due to an unexpected situation or force majeure or if the reason could not be understood, the damage suffered by the colliding ships or the people or goods on the ships as a result of the collision, the person who suffered the damage bears.

(2) If the situations listed in the first paragraph occur while all or one of the ships are at anchor at the time of the accident, the provisions of the first paragraph shall apply.

**C) Imperfect contact**

**I- Fault of one party**

**ARTICLE 1288**-(1) If the collision is caused by the fault of the owner or crew of one of the ships, the owner of that ship has to compensate the damage.

**II- Common defect**

**1. Goods damage**

**ARTICLE 1289**- (1) If the collision is caused by the faults of the owners or crew of the ships that collided, the owners of these ships are responsible for the damage suffered by the ships or the goods on the ship due to the collision, in proportion to the weight of their faults. However, depending on the situation, it is not possible to determine this rate or if it turns out that the parties are equally at fault, the parties are held equally liable. In terms of these claims for compensation, the responsibility of the owners to third parties is not several.

11254

(2) If the collision is the result of an action by the seafarers regarding the ship's dispatch or other technical management, the owner shall not be liable to the persons concerned of the cargo carried on his own ship in accordance with the provisions of the second sentence of the first paragraph of Article 1062 and the first sentence of the first paragraph of Article 1180. If the owner of the cargo, who cannot obtain compensation from his own owner due to this irresponsibility, receives compensation from one of the other faulty owners for the said damage, in accordance with a foreign law, in case the owner who made this payment recourse to the owner who benefits from the irresponsibility for the part that he had to pay extra, he has the right of recourse at the same rate to the person concerned.

**2. Bodily harm**

**ARTICLE 1290**-(1) If the collision is caused by the fault of the owners or crew of the ships involved, the owners of these ships are jointly responsible for the damages resulting from the death or injury or deterioration of health of the persons on board due to the collision. However, depending on the situation, it is not possible to determine this rate or if it turns out that the parties are equally at fault, the parties are equally liable.

(2) In the recourse of owners to each other, each owner is responsible in proportion to the weight of his fault.

**III – The defect of the guide**

**ARTICLE 1291**-(1) The owner of the ship is responsible for the conflict caused by his fault while the ship is being shipped by the compulsory consultant guide or optional guide.

(2) The owner of the ship is not responsible for the conflict caused by his fault while the ship is being shipped by the mandatory shipping guide.

**D) Pre-trial evidence determination**

**ARTICLE 1292**- (1) In the determination of evidence to be made before the lawsuit, the commercial court of first instance responsible for dealing with maritime trade affairs in the place where the conflict occurred, the commercial court of first instance in case of absence, and the civil court of first instance responsible for dealing with commercial cases are authorized.

(2) The captain or his representative of each ship involved in the collision is notified that a determination will be made.

(3) In the detection report, the defect rates of the ships involved in the collision are not specified.

**E) Absence of shape requirement**

**ARTICLE 1293**-(1) There is no need to issue a warning or fulfill any other form requirement before the lawsuits to be filed for the compensation of the damage suffered as a result of the collision.

**F) Absence of presumption**

**ARTICLE 1294**-(1) No presumption is taken into account in determining the fault in the collision.

**G) The master's duty of assistance and the owner's irresponsibility for non-fulfillment**

**ARTICLE 1295**- (1) After a collision, the captain of each ship is obliged to assist the other ship, the crew and the passengers, provided that this is possible without putting his ship, crew and passengers in serious danger.

(2) In addition, the master is obliged, if possible, to inform the other ship the name of his ship, the port of mooring, the ports of origin and destination.

(3) The shipowner shall not be liable for the master's breach of his obligations stipulated in this article.

11255

**H) Reserved provisions**

**ARTICLE 1296**-(1) Provisions regarding the limitation of the owner's liability are reserved. The provisions in this Section do not affect obligations arising from contracts of carriage and any other contracts.

**i) Timeout**

**ARTICLE 1297**-(1) Any claim for compensation based on conflict is time-barred in two years, starting from the day the conflict occurred.

(2) According to the second sentence of the second paragraph of the article 1289 or the second paragraph of the article 1290, the recourse rights of the owners against each other become time-barred within one year starting from the date of payment.

**THIRD PART**

**Recovery**

**A) Item salvage**

**I- Rescue activity**

**ARTICLE 1298**-(1) Any act or action taken to salvage a watercraft or other property in danger in navigable waters constitutes a salvage action and the provisions of this Chapter apply to it.

(2) The term “watercraft” includes any ship and any navigable structure; The term "goods", on the other hand, means any goods that are not permanently and voluntarily fixed to the shore and undeserved freight.

(3) the term "goods";

a) Fixed or floating platforms and offshore drilling units, as long as they are used for the exploration, extraction or processing of mineral resources in the seabed,

b) Cultural artifacts of prehistoric, archaeological or historical value found on the seabed,

do not enter.

(4) the term "rescue activity";

a) Activities carried out despite the clear and reasonable opposition of the owner or the captain of the watercraft or the owner of the goods that were not in the vehicle and were not found,

b) Activities carried out by persons employed in the endangered vehicle,

c) Services performed or required to be performed for the performance of a contract established before the danger arises,

do not enter.

**II- Other cases**

**ARTICLE 1299**-(1) the provisions of this Section;

a) The rescuer is obliged to salvage pursuant to the legislation,

b) The vehicle engaged in salvage activities belongs to the same owner as the salvaged vehicle,

is also applied.

**III- Rescue contract**

**1. Authority to make a contract**

**ARTICLE 1300**-(1) The master is authorized to make a salvage contract on behalf of the owner for the recovery of the vehicle. The scope of this authority also includes deciding the competent court or arbitration.

11256

(2) The owner and the captain of the vehicle are authorized to make a salvage contract on behalf of the owners of the things in the vehicle. The scope of this authority also includes deciding the competent court or arbitration.

**2. Adaptation or cancellation of the contract**

**ARTICLE 1301**-(1) If the salvage contract is made under the influence of misdirection or danger and the accepted conditions are found to be contrary to the principles of right and safety, or if the salvage fee is found to be excessively disproportionate to the services rendered, the contract may be adapted to the current conditions or canceled by the court upon request.

**3. Mandatory provisions**

**ARTICLE 1302**-(1) The provisions of this Section may be modified expressly or implicitly by a salvage contract.

(2) The provisions regarding the adaptation or cancellation of the salvage contract and the regulations regarding the obligation to exercise due diligence for the prevention and limitation of environmental damage cannot be changed by the contract.

**IV- Obligations of the parties**

**ARTICLE 1303**-(1) The Rescuer against the owner of the endangered vehicle or other property;

a) Carrying out the rescue activity with due diligence,

b) While fulfilling this obligation, to take the necessary care to prevent and limit environmental damage,

c) Asking for help from other rescuers to the extent that it can be considered a reasonable course of action according to the circumstances,

d) If the request is found to be unreasonable, without changing the amount of the salvage fee to be received, by accepting the intervention of other rescuers if reasonably requested by the owner or captain of the vehicle in distress or by the owner of the goods,

Are required.

(2) The owner and master of the distressed vehicle or the owner of other goods, against the salvor;

a) To cooperate with the rescuer in all respects during the rescue activity,

b) To take the necessary care to prevent and limit environmental damage while fulfilling this obligation,

c) Taking delivery of the secured vehicle or other property, when the Rescuer makes a reasonable request,

Are required.

(3) “environmental damage” in the application of the provisions of this Chapter; It means the heavy material damage caused by pollution, contamination, fire, explosion or similar important events to human health or marine life or resources in coastal waters and adjacent areas.

**V- Rights of the Savior**

**1. Recovery fee**

**a) Principles**

**ARTICLE 1304**-(1) Any salvage activity that has yielded a beneficial result is entitled to a salvage fee claim.

(2) Unless otherwise stated in this Section, no right to claim salvage fees arises for salvage activities that do not yield beneficial results.

11257

(3) The recovery fee cannot exceed the value of the recovered item after recovery. In the application of this rule, interest and litigation expenses that may be paid are not taken into account.

**b) Determination of the fee**

**ARTICLE 1305**-(1) If the salvage fee has not been determined by the parties or if the agreed fee is requested by the court to be adapted to the current conditions according to Article 1301, the fee is determined with an understanding to encourage salvage activities, taking into account the following criteria, regardless of the order:

a) The value of the vehicle and other property after recovery.

b) The effort and skill of the rescuer to prevent or limit environmental damage.

c) The degree of success achieved by the Savior.

d) The danger faced by the rescued vehicle and the people and property in it, and the nature and magnitude of the danger that those involved in the rescue risk for themselves and their vehicles.

e) The effort and skill of the rescuer to save the vehicle, other property and human life.

f) Time spent, expenses incurred and damage suffered by the Savior.

g) Rescue's liability risk and other risks incurred by the rescuer and his equipment.

h) How quickly the services provided are provided.

i) Vehicles and other equipment reserved for rescue activities have been made available and actually used.

j) The availability, effectiveness and value of the rescuer's equipment.

(2) Expenses and fees of official institutions, customs duties and other duties to be paid for the salvaged things, and expenses incurred for the purposes of keeping, protecting, appraising their value and selling these things are not included in the salvage fee.

(3) Salvage fee is determined in money. Unless otherwise agreed, the fee cannot be determined as a percentage of the value of the items salvaged.

**c) Debtors**

**ARTICLE 1306**- (1) The debtors of the salvage fee are the owners of the salvaged vehicle and other goods at the time of the completion of the salvage activity.

(2) The salvage fee is shared between the owner of the salvaged vehicle and the owners of the other goods in proportion to the salvaged values. There is no consolation among the debtors of the salvage fee.

**d) Responsibility of the consignee**

**ARTICLE 1307**-(1) If the consignee knows that a salvage fee will be paid for them when receiving the goods, he shall be personally liable to the creditors of the fee at the rate that would have been paid if the goods had not been delivered, if they were converted into cash.

(2) If other things are recovered together with the delivered goods, the responsibility of the consignee cannot exceed the amount that would fall on the delivered goods if the expenses were divided among all things.

11258

**e) Sharing the wage**

**aa) Single fee**

**ARTICLE 1308**- (1) A single fee is determined for all kinds of rescue activities carried out from the beginning of the danger causing the rescue activity until the moment when the goods are requested to be returned in accordance with subparagraph (c) of the second paragraph of Article 1303. Anyone who requests a share of the salvage fee for participating in these activities receives their share from this total fee.

(2) If more than one lawsuit is filed in order to receive a share of the salvage fee, the lawsuits are combined with the lawsuit filed by the monopoly owner, or the salvage contracted salvage, if not, or the salvager who participated with the most salvage ship, if not, or the salvage with the most equipment. If this case is heard before the arbitrator, all the files are combined with the first case brought in a court, and the court makes the determination of the salvage fee with the final judgment a pending problem in the case brought before the arbitrator. The court hearing the case also decides how the fee will be shared within the same case.

**bb) Among multiple rescuers**

**ARTICLE 1309**-(1) The salvage fee is shared among more than one rescuer in proportion to their participation in the rescue activity, taking into account the criteria in Article 1305.

**cc) The share to be given to the seamen and other men of the salvage**

**ARTICLE 1310**- (1) If a vehicle or other goods are salvaged by another ship, the owner of the salvage ship, after deducting from the salvage fee he will receive from the expenses incurred by the salvage, to the master of the salvage ship and other seafarers, taking into account the criteria set forth in the first paragraph of Article 1305. gives a share.

(2) As soon as the salvage operation is completed, the owner prepares a schedule showing the share of the master and other seafarers and notifies them in writing of this schedule.

(3) An objection can be lodged against the share scale at the court in the first place of arrival in Turkey within fifteen days following the notification of the scale.

(4) After hearing the relevant parties by the court, the share list is approved as it is or by changing it when necessary. This decision is final.

(5) In case the rescue activity is carried out by the ship or tugboat allocated for this purpose, the provisions of the first to fourth paragraphs are not applicable. Seafarers and other persons in charge of the ship or tugboat allocated for salvage purposes cannot demand salvage fee or share from the owners of the salvaged goods.

(6) If the salvage is made from a vehicle that is not a ship, the salvage fee is divided according to the contract between the salvor and his crew, or by analogy if there is no contract, taking into account the criteria in Article 1305.

**f) Deprivation of wages**

**ARTICLE 1311**-(1) The rescuer may be deprived of the salvage fee in whole or in part if he has made the salvage activity necessary or made more difficult by his own fault, or if he has engaged in other acts that are considered fraudulent or dishonest.

11259

**2. Special compensation**

**ARTICLE 1312**- (1) If a rescuer has performed a salvage activity for a vehicle that poses a threat of environmental damage or the goods in it, but has not been entitled to a salvage fee at least equivalent to the special compensation to be calculated in accordance with this article, in accordance with Article 1305, the salvage activities carried out within the scope of this article. may request expenses from the owner as special compensation. In order to order special compensation, the court or the arbitral tribunal need not have increased the salvage fee to be determined in accordance with Article 1305 up to the highest value of the salvaged items.

(2) If the rescuer has prevented or limited the environmental damage with the rescue activity under the conditions specified in the first sentence of the first paragraph, the special compensation to be paid by the owner to the rescuer in accordance with the first paragraph may be increased up to a maximum of thirty percent of the expenses incurred by the rescuer. If the court or arbitral tribunal decides that it is in accordance with the rules of right and fairness, taking into account the criteria in the first paragraph of Article 1305, it may further increase the amount of the special compensation; so that the increase to be made may in no case exceed one hundred percent of the expenses of the rescuer.

(3) In the application of the first and second paragraphs, the "rescuer's expenses", the reasonable expenses incurred by the rescuer during the rescue activity, and the equipment and personnel actually used in the rescue activity and are reasonable to be used in the first paragraph of Article 1305 (h), (i) and (j). ) refers to an appropriate amount to be determined by considering the criteria in subparagraphs.

(4) If the sum of the special compensation to be calculated in accordance with this article exceeds the salvage fee that the rescuer can receive pursuant to article 1305, it is paid at the rate and rate.

(5) If the rescuer could not prevent or limit the environmental damage due to his negligence, he may be deprived of the compensation specified in this article, wholly or partially.

(6) The provisions of this article do not prejudice the recourse rights of the owner.

(7) Payments to be made pursuant to this article shall not be included in general average apportionment.

**3. Interest**

**ARTICLE 1313**-(1) Interest shall be charged on the salvage's receivables regulated in this Section, starting from the date when the salvaged items should be received pursuant to subparagraph (c) of the second paragraph of Article 1303 and, if the goods cannot be delivered, from the date of the conclusion of the salvage activity in terms of special compensation. General provisions apply to other matters related to interest.

**4. Payment time and guarantee**

**ARTICLE 1314**- (1) When the salvaged things are received in accordance with subparagraph (c) of the second paragraph of Article 1303, the debtors are obliged to pay their share of the receivables of the salvage regulated in this Section, or, upon the request of the salvor, to provide collateral for these funds, including interest and litigation expenses.

**5. Pledge rights**

**ARTICLE 1315**- (1) Due to the salvage fee receivables, the salvor has the right of the ship's creditor on the salvaged ship and the right of imprisonment on the other salvaged goods pursuant to Articles 950 to 953 of the Turkish Civil Code.

(2) The owner of the salvaged vehicle is obliged to make every effort to ensure that the owner of the salvaged goods provides sufficient security for his debt, interest and expenses.

11260

(3) The salvaged vehicle and other goods cannot be removed without the consent of the salvor, from the port or place originally reached after the completion of the salvage operation, until sufficient security is shown for the salvor's receivables.

**6. Advance**

**ARTICLE 1316**-(1) The court or arbitral tribunal authorized to decide on the claims of the salvor may decide to pay the salvor an appropriate amount of advance with an interim decision, according to the requirements of the situation. The Savior's ability to receive the advance can be attributed to his collateral. In case of advance payment, the amount of the guarantee regulated in Article 1314 is also reduced at this rate.

**B) human rescue**

**I- Liability of the captain**

**ARTICLE 1317**- (1) Every captain is obliged to assist every person in danger of being lost at sea, without putting his vehicle and the people on board in serious danger.

(2) The owner of the vehicle is not responsible for the captain's violation of this obligation only.

**II- Fee**

**ARTICLE 1318**-(1) Rescued persons are not liable to pay salvage fees.

(2) In the event of an accident requiring salvage, only a salvor who has saved a person is entitled to an appropriate share of the remuneration and special compensation awarded to the salvor who has acted to salvage the vehicle or other property or to prevent or limit environmental damage.

**C) Timeout**

**ARTICLE 1319**-(1) Regardless of whether it is based on a contract, all claims arising from the salvage activity and the removal of the wreck are time-barred in two years.

(2) This period starts to run from the end of the salvage activity and from the date of completion of the wreck removal work for the receivables arising from the removal of the wreckage.

(3) The person against whom the claim is made may extend this period one or more times, with a statement to be made to the petitioner within the statute of limitations.

**PART SIX**

**Ship Claims**

**A) Receivables giving the right to ship's creditor**

**ARTICLE 1320**-(1) The following receivables arising against the owner, charterer, manager or operator of the ship give their owners “ship creditor right”:

a) Claims regarding the wages and other amounts to be paid to the seafarers due to their employment on the ship, including the expenses of being brought to their country and the social security contributions to be paid on their behalf.

b) Claims arising from loss of life or other bodily damage on land or in water directly related to the operation of the ship.

11261

c) Recovery fee.

d) Dues payable for port, canal, other waterways, quarantine and pilotage.

e) Claims based on tort and arising from material loss or damage caused by the operation of the ship, excluding loss or damage to the goods, containers and passengers' belongings carried on the ship.

f) Receivables for general average cost.

(2) Receivables written in subparagraphs (b) and (e) of the first paragraph;

a) Damages that occur in connection with the transportation of oil or other dangerous or harmful substances by sea, and which are required to be covered by strict liability and compulsory insurance or by other means, according to international conventions or national legislation,

b) Damages arising from radioactive materials or their combination with toxic or explosive materials or nuclear fuel or other dangerous materials consisting of radioactive products or wastes,

They do not give their owners the right to become a ship's creditor if they result in or arise from these damages.

(3) Whether a claim brought forward through the judiciary in Turkey entitles the ship's creditor is determined in accordance with Turkish law.

**B) The legal right of pledge given by the ship receivable**

**I- Scope**

**ARTICLE 1321**-(1) Ship's receivable gives its owner the right of legal pledge on the ship and its annexes.

(2) Additions that are not in the possession of the ship owner are not covered by the pledge. Insurance compensation to be paid to the owner according to an insurance contract is not covered by the pledge.

(3) Pledge also includes the claim for compensation of the owner against third parties due to the loss or damage of the ship. Compensation given for things sacrificed or damaged in general average cases replaces the things for which compensation is paid for the ship's creditors.

(4) A legal pledge does not arise on ships belonging to the state, special provincial administration, municipality, village and other public legal entities, which are not allocated for the purpose of obtaining benefits at sea or are not actually used for such a purpose. In so far, these legal entities would be primarily liable to the creditors of the ship, if the value of the ship and its annexes at the end of the voyage, in which the receivables arise, were divided among the ship's creditors according to their legal order, to the same extent as the amount that would fall to the creditors.

(5) The legal pledge of the ship's receivable can be claimed against anyone who is in possession of the ship.

**II – Receivables secured**

**ARTICLE 1322**-(1) The pledge right of the ship's creditors provides the principal, interest, follow-up and litigation expenses in the same way.

(2) If the ship is operated by a armament subsidiary, the ship will be compensated for its receivables as if it were owned by a single owner.

11262

**III- Priority**

**ARTICLE 1323**- (1) The legal pledge right of the ship's creditors written in sub-paragraphs (a) to (e) of the first paragraph of Article 1320 precedes the same obligations with all the legal and contractual rights registered or not on the ship.

(2) The legal pledge right of the ship's creditors written in subparagraph (f) of the first paragraph of Article 1320 comes after the same obligations with all legal and contractual pledge rights registered or not on the ship.

(3) In the event that a ship that has run aground or sunk is removed by public institutions for the purpose of navigational safety or the protection of the marine environment, its expenses shall be paid before all ship receivables.

**IV- Rank**

**ARTICLE 1324**-(1) The order of the legal pledge rights given by the right of the ship receivable is determined according to the order of the receivables, which is explained in the article 1320 as the ship's creditor; to the extent that the ship's creditors listed in subparagraph (f) of the first paragraph of article 1320, the provision of the second paragraph of article 1323 is reserved.

(2) Only the legal right of pledge granted by the salvage fee claim precedes all other pledge rights on the ship before the date of the activity giving rise to this claim. Those born after the legal pledge rights given by the salvage fee receivable come before the ones born first; The end date of each rescue activity is essential in the implementation of this provision.

(3) Ship receivables stipulated in subparagraphs (a), (b), (d) and (e) of the first paragraph of Article 1320 have equal rights among themselves.

**V- Transfer and transfer**

**ARTICLE 1325**-(1) With the transfer or transfer of the ship receivable, the legal pledge right given by this receivable is also transferred or transferred.

**VI- Fall**

**ARTICLE 1326**- (1) The pledge right of the ship's creditors listed in sub-paragraphs (a) to (e) of the first paragraph of Article 1320 ceases at the end of one year from the date on which the ship claim arises; unless, before the expiration of this period, the ship had been precautionaryly seized and as a result, it had been sold by foreclosure. This is a one-year period;

a) In terms of the receivables listed in subparagraph (a) of the first paragraph of Article 1320, on the date of departure of the creditor from the ship,

b) In terms of the receivables listed in subparagraphs (b) to (e) of the first paragraph of Article 1320, on the date of birth of the receivables secured by the legal pledge right,

starts to work.

(2) The right of pledge held by the ship's creditors listed in subparagraph (f) of the first paragraph of Article 1320;

a) Within six months from the day the ship arrives at the destination where the damage will be determined and apportioned, and if the ship does not arrive there, at the port where the voyage ends; after six months, if the ship has not been seized as a precautionary measure resulting in the sale by foreclosure,

11263

b) In case the ship is sold to a bona fide third party, at the end of sixty days from the day the buyer registers the ship in his own name in accordance with the law of the place of registration,

falls. If both of these periods have started to run, the right of pledge lapses with the expiration of the first period.

(3) The time period in which the seizure of the ship is not legally permissible is not taken into account in the calculation of these periods. It is not possible to stop or interrupt the period due to other reasons.

**VII- Timeout**

**ARTICLE 1327**-(1) Without prejudice to the special provisions in this Law and other laws, the period specified in Article 1326 shall also apply to the personal claim rights of the creditor against the debtor.

**SEVENTH SECTION**

**Limitation of Liability and Compensation for Oil Pollution Damage**

**A) Limitation of liability for maritime claims**

**I- Rule**

**ARTICLE 1328**-(1) Liability arising from maritime claims, with the International Convention on Limitation of Liability for Maritime Claims dated 4/6/1980 published in the Official Gazette dated 17007/19/11 and numbered 1976 and the Protocol dated 2/5/1996 amending this Convention or replacing it. may be limited according to the international agreements accepted by the Republic of Turkey.

(2) The amendments to be made pursuant to Articles 1976 and 20 of the 21 International Convention on Limitation of Liability for Maritime Claims and Article 1996 of the Protocol dated 8, shall be applied in a way that includes the aforementioned amendments, starting from the date of their entry into force for the Republic of Turkey.

(3) The expression “Convention dated 1976” used in this Section, “International Convention on Limitation of Liability for Maritime Claims dated 19/11/1976”, its Protocol dated 2/5/1996 and the amendments to this Convention that have entered into force for the Republic of Turkey collectively. means.

**II- Circumstances without foreign element**

**ARTICLE 1329**-(1) Article 1328 shall also be applied in cases that do not contain an element of foreignness within the meaning of the first paragraph of Article 27 of the Law No. 11 of 2007/5718/1 on International Private Law and Procedural Law.

**III- Expanding the application area**

**ARTICLE 1330**-(1) Article 1328 is also applied in the following cases:

a) Persons listed in the second sentence of the first paragraph of Article 1976 of the 15 Convention wish to limit their liability in a Turkish court.

b) Regarding the ships listed in subparagraph (a) of the second paragraph of Article 1976 of the 15 Convention.

c) Regarding the ships listed in subparagraph (b) of the second paragraph of Article 1976 of the 15 Convention, within the limits set forth in article 1332.

d) Regarding the ships listed in the fourth paragraph of Article 1976 of the 15 Convention, within the limits set forth in Article 1333.

11264

(2) If the creditor proves that the limitation of liability is not permissible in the country of the person mentioned in subparagraph (a) of the first paragraph, the liability cannot be limited in Turkey. If the creditor proves that a higher limit of liability is applied in that person's country than the 1976 Convention, the 1976 Convention will apply on the basis of that higher limit.

**IV- Receivables to which the contract will not be applied**

**ARTICLE 1331**-(1) Liability for the receivables listed in subparagraphs (d) and (e) of the first paragraph of Article 1976 of the 2 Contract cannot be limited.

**V- Ships of less than three hundred tons**

**ARTICLE 1332**-(1) For the ships listed in subparagraph (b) of the second paragraph of the Article 1976 of the 15 Convention, the liability limit to be calculated in accordance with the subparagraph (b) of the first paragraph of the article 6 of the same Convention is 83.500 Special Drawing Rights. In other cases, the limits of liability stipulated by the 1976 Convention apply.

**VI- Drilling vessels**

**ARTICLE 1333**-(1) The following limits of liability apply to the ships listed in the fourth paragraph of Article 1976 of the 15 Convention, provided that the receivable which is the basis of the limitation has arisen while the ship is at the drilling site to be used for drilling:

a) 1976 Special Drawing Rights for the claims listed in subparagraph (a) of the first paragraph of Article 6 of the 32.000.000 Convention.

b) 1976 Special Drawing Rights for the claims listed in subparagraph (b) of the first paragraph of Article 6 of the 20.000.000 Convention.

**VII- Priority**

**ARTICLE 1334**-(1) Provided that the rights of the claims arising from death and personal injury in accordance with the second paragraph of Article 1976 of the 6 Convention are not violated, the claims listed in the third paragraph of the same article have priority over the other claims listed in subparagraph (b) of the first paragraph.

(2) This priority is achieved in the apportionment in the following order:

a) The apportionment rate between the claims listed in subparagraph (b) of the first paragraph of Article 1976 of the 6 Convention and the claims written in the second paragraph is determined.

b) According to these ratios, the shares of the receivables written in the second paragraph are determined.

c) These shares and the priority receivables listed in the third paragraph are paid from the Fund.

d) Other receivables written in subparagraph (b) of the first paragraph are paid from the balance.

e) If the fund is not sufficient to meet the shares of the receivables written in the second paragraph and the priority receivables written in the third paragraph, the entire fund is divided among these creditors.

**VIII – Limitation of liability without establishing a fund**

**ARTICLE 1335**-(1) Pursuant to Article 1976 of the 10 Convention, the right to limit liability may be asserted even before the fund has been established.

11265

**B) Special provisions on oil pollution damage**

**I - Rule**

**ARTICLE 1336**-(1) This Convention on “pollution damage” defined in the sixth paragraph of Article 24 of the International Convention on the Legal Liability of Damage Arising from Oil Pollution dated 7/2001/24472 and published in the Official Gazette dated 27/11/1992 and numbered 1 and 18/7/ The provisions of the International Convention on the Establishment of an International Fund for the Compensation of Oil Pollution Damage dated 2001/24466/27 published in the Official Gazette dated 11 and numbered 1992 shall apply. In cases where these contracts are implemented directly or pursuant to this Law, other provisions of the legislation regarding the matters regulated in these contracts are not applicable.

(2) Articles 27 and 11 of the Final Articles of the International Convention on Legal Liability for Damage Caused by Oil Pollution dated 1992/14/15 and Articles 27 and 11 of the Final Articles of the International Convention on the Establishment of an International Fund for the Compensation of Oil Pollution Damage dated 1992/32/33 Starting from the date on which the amendments to be made pursuant to Article XNUMX enter into force for the Republic of Turkey, this article shall be applied in a way that includes the aforementioned amendments.

(3) In this Section;

a) The phrase “Liability Agreement dated 1992” refers to the “International Convention on Legal Liability for Damage Arising from Oil Pollution dated 27/11/1992” and the amendments to this Agreement that have entered into force for the Republic of Turkey,

b) The phrase "Fund Convention dated 1992" means "International Convention on the Establishment of an International Fund for the Compensation of Oil Pollution Damage dated 27/11/1992" and the amendments to this Convention that have entered into force for the Republic of Turkey,

collectively express.

**II – Cases that do not contain foreign elements**

**ARTICLE 1337**-(1) Liability and Fund Agreements dated 1992 are also applied in cases where there is no element of foreignness within the meaning of the first paragraph of Article 1 of the Law on International Private and Procedural Law.

**III – Expanding the application area**

**ARTICLE 1338**-(1) If a “pollution damage” defined in the sixth paragraph of Article I of the 1992 Liability Convention is claimed against other persons listed in the fourth paragraph of Article III of the same Convention, these persons may limit their liability by applying Article V of the 1992 Liability Convention by analogy. In the calculation of the limit of liability, the tonnage of the ship defined in the sixth paragraph of Article I of the same Convention is taken as basis.

(2) If a “contamination damage” defined in subparagraph (a) of the sixth paragraph of the article I of the 1992 Liability Convention has occurred outside the places specified in the subparagraph (a) of the article II of the same Convention, the person held responsible shall assume the responsibility in the article V of the 1992 Liability Convention. may be limited by applying the article by analogy.

(3) If the person held liable pursuant to paragraphs one and two has taken out insurance of the type defined in paragraph eight of article VII of the 1992 Liability Convention, Articles VII and VIII of the same Convention apply by analogy.

11266

(4) The fund established pursuant to this article is independent of a fund that can be established through the direct application of the 1992 Liability Agreement.

**IV – Notification of the case and intervention in the case**

**ARTICLE 1339**-(1) Based on the fourth and sixth paragraphs of Article 1992 of the 7 Fund Convention, for the "1992 International Oil Pollution Compensation Fund" to participate in the case upon notification pursuant to Article 49 of the Code of Civil Procedure or through intervention pursuant to Article 53 of the same Law. It is sufficient to submit a petition containing this request to the court; also, the acceptance or approval of the court or the parties is not sought.

**V – Application of foreign law**

**ARTICLE 1340**-(1) A “contamination damage” defined in subparagraph (a) of the sixth paragraph of Article I of the 1992 Liability Convention;

a) If it occurred outside of the places specified in subparagraph (a) of Article II of the same Convention,

b) originated from a ship flying the flag of a country party to the same Convention,

c) If it has been claimed through a lawsuit in Turkey,

The provisions of the foreign law to be applied pursuant to the Law on Private International Law and Procedural Law, which are inconsistent with the 1992 Liability Agreement, shall not apply. In such a case, the 1992 Liability Convention directly applies.

**C) Common provisions regarding contracts**

**I – Limit of liability for manuals**

**ARTICLE 1341**-(1) The limits of liability set in the 1976 Convention are a total of 1.500 Special Drawing Rights for all claims directed directly to the guidelines.

(2) According to the fifth paragraph of Article III of the 1992 Liability Agreement, the liability limit for the recourse requests that can be directed by the owner to the guide is a total of 1.500 Special Drawing Rights.

(3) In the application of this article, the term "guideline" includes the person or persons who provide guidance to the ship on board or from any other place, and all real and legal persons responsible for the actions of such person or persons.

**II – Establishment of funds under personal responsibility**

**ARTICLE 1342**-(1) If a fund is not established in the name of a legal person or ordinary company or equipment affiliate that has the right to limit its liability pursuant to the agreements of 1976 and 1992, any person who can be held personally liable for that debt of the legal person or ordinary company or equipment subsidiary may limit his liability by establishing a fund. The fund must be established over the total liability limit; The share rate of the person establishing the fund in the legal person or ordinary company or in the equipment subsidiary is not taken into account. A fund established under this article has the effect of a fund established under the 1976 and 1992 conventions.

**III – Defect that removes the right of limitation**

**ARTICLE 1343**– (1) In the application of Article 1976 of the 4 Convention and the second paragraph of Article V of the 1992 Liability Convention, the fault of the following persons shall be taken into account:

11267

a) In real persons, the fault of each natural person.

b) In legal persons, the faults of the organs that put the legal entity under debt with their actions and works in accordance with Article 50 of the Turkish Civil Code, and the faults of the persons forming the organ.

c) Fault of the partners of the company in ordinary companies.

d) Fault of shareholder shipowners and ship manager in armament participation.

e) The fault of the persons who represent the persons listed above based on a general or special authority.

(2) Persons who, by fault, cause the termination of the limitation right of the legal person, the ordinary company and the equipment subsidiary cannot limit their personal responsibilities.

**IV – Legal succession**

**ARTICLE 1344**-(1) Persons making payments referred to in Article 1976, third paragraph of the 12 Convention and Article V, sixth paragraph of the 1992 Liability Convention, shall succeed the rights of the person to whom the payment has been made, in proportion to the amount paid.

**V – Guarantee of receivables**

**ARTICLE 1345**-(1) All real and personal guarantees regarding the receivable expire as soon as it is accepted by the court in which the fund was established that a receivable will enter the funds established pursuant to the 1976 or 1992 agreements. The priorities that these real and personal guarantees give to that receivable are not taken into account in fund allocation.

**VI – Other creditors**

**ARTICLE 1346**-(1) Funds established under contracts of 1976 or 1992 may only be used to settle claims against which limited liability may be asserted. Other creditors of the person who has limited his liability through the establishment of funds cannot apply to these funds in any way. If a balance remains after the funds have been allocated, other creditors of the person who set up the fund can follow up on this balance.

**VII – Interest**

**ARTICLE 1347**-(1) In cases where the limitation of liability pursuant to the 1976 or 1992 contracts is accepted by the court, interest cannot be charged for the portion of the receivables included in the fund exceeding the limits specified in the contracts.

(2) Funds established pursuant to this Law must be kept in an interest-bearing account until the end of the allocation.

**VIII – Competent and competent court**

**ARTICLE 1348**-(1) In accordance with the agreements dated 1976 and 1992, the court in charge of establishing the fund, the commercial court of first instance in charge of maritime trade, the commercial court of first instance assigned to this task in cases where this court is not available, and if there is no such court, the civil court of first instance assigned to this task, regardless of the amount of the fund. .

(2) Regarding the establishment of funds in accordance with the agreements dated 1976 and 1992, the court in which the ship registry is kept under surveillance for ships registered in a Turkish Ship Registry, the court for the residence of the owner in Turkish ships that are not registered in the registry, and the Istanbul Court of First Instance, which is responsible for maritime trade in foreign ships. Commercial Court is authorized.

11268

**IX – Judgment and follow-up expenses**

**ARTICLE 1349**-(1) Liability for litigation and follow-up expenses cannot be limited; Even if a fund has been established, the defendant or follow-up debtor has to pay these expenses separately.

**Eight Section**

**Special Provisions Regarding Forced Execution**

**A) Applicable law**

**ARTICLE 1350**-(1) The results of this sale, including the precautionary or enforceable seizure of a ship, its sale by way of foreclosure and the transfer of ownership, and all other actions and dispositions related to forcible enforcement, shall be governed by the law of the country in which the ship was located at the time of such actions and dispositions. In so far, in the event that a Turkish-flagged ship is sold abroad by forceful execution, the auctioning institution or those concerned, at least thirty days before this sale;

a) The Turkish Ship Registry where the ship is registered,

b) To the registered owner of the ship,

c) Owners of other rights and claims registered in the ship registry,

It is obligatory to be announced in one of the newspapers with a circulation of more than fifty thousand and distributed at the level of Turkey, provided that the expenses are covered by the relevant persons. In case the ship is sold abroad by forceful execution without this notification or announcement, its registration cannot be deleted and the rights and receivables on the ship registered in the Turkish Ship Registry remain reserved.

**B) Supplementary provisions**

**ARTICLE 1351**-(1) In matters not specifically regulated in this Section, the provisions of the Enforcement and Bankruptcy Law shall apply as stipulated in the first paragraph of Article 936 and Article 937.

**C) About ships**

**I – Lien**

**1. Sea claims**

**ARTICLE 1352**-(1)“Sea claim”; means a claim arising from one or more of the following:

a) Loss or damage caused by the operation of the ship.

b) Loss of life or other bodily injury on land or in water directly related to the operation of the ship.

c) Salvage activity or any kind of salvage contract, special compensation to be paid for salvage activity related to a ship or goods on board that poses a threat of environmental damage.

d) Damage or threat of harm to the environment, coastline or related interests by ship; measures taken to prevent, limit or eliminate such harm; compensation for such damage; the costs of reasonable measures actually taken or to be taken to restore the environment; losses incurred or to be incurred by third parties in connection with this damage, and losses, expenses or losses similar to those specified in this paragraph.

e) Expenses and expenses incurred for flotation, removal, removal, destruction or rendering harmless of a ship that has sunk, wrecked, stranded or abandoned, including what is inside or found in the ship, and the protection of an abandoned ship and expenses and expenses related to the subsistence of seafarers.

11269

f) Any contract for the use or charter of the ship, regardless of whether a charter party has been drawn up.

g) Any contract for the carriage of goods or passengers on board, regardless of whether a charter party has been issued.

h) Loss or damage to or relating to goods, including baggage, carried on board.

i) General average.

j) Towage.

k) Guidance.

l) Equipment, including goods, materials, stores, fuel, containers, provided for the operation, management, protection or maintenance of the ship and services provided for these purposes.

m) Building, rebuilding, repairing, equipping or changing the nature of the ship.

n) Ports, canals, docks, piers and quays, other waterways and other money to be paid for quarantine.

o) Claims regarding the wages to be paid to the seafarers for their work on the ship and other amounts to be paid to them, including the costs of being brought to their country and the social security contributions to be paid on their behalf.

p) Expenses incurred on behalf of the ship or its owner, including loans taken for the ship.

r) Insurance premiums, including mutual insurance fees, to be paid by or on account of the owner of the ship.

s) Any commission, brokerage or agency fees to be paid in relation to the ship by or on behalf of the owner of the ship.

t) Any dispute regarding the ownership or possession of the ship.

u) Any dispute between the common owners of the ship regarding the operation of the ship or the revenue obtained from the ship.

v) Ship pledge, ship mortgage or an obligation in kind on the ship of the same nature.

y) Any dispute arising from a contract regarding the sale of the ship.

**2. The right to request a lien**

**ARTICLE 1353**-(1) In order to secure the maritime claims, only the precautionary seizure of the ship may be decided. For these claims, it cannot be demanded to put precautionary measures on the ship or to prevent the ship from sailing in any other way.

(2) The provisions of the first paragraph shall also apply to maritime claims secured by a contractual or legal pledge.

(3) For receivables other than maritime receivables, a precautionary attachment decision cannot be made about the ship.

(4) The fact that the claim is a maritime claim listed in Article 1352 is a reason for precautionary lien.

(5) For undue maritime claims, if the conditions stipulated in the second paragraph of Article 257 of the Execution and Bankruptcy Law are met, the precautionary seizure of the ship may be requested.

11270

**3. Competent court**

**a) In terms of the provisional attachment decision**

**aa) Before filing a lawsuit**

**aaa) Turkish Flagged Ships**

**ARTICLE 1354**-(1) An arrest warrant can only be given by the court of the place where the ship is moored, moored to a buoy or vault, docked or docked, or by the courts listed below:

a) For ships registered in a Turkish Ship Registry, the court of the place of registration.

b) The court of the owner's place of residence for ships not registered in the registry.

c) The court of the lessee's domicile in the ships registered in the special registry kept in accordance with the third paragraph of Article 941.

**bbb) Foreign flagged ships**

**ARTICLE 1355**-(1) The provisional attachment decision for foreign flagged ships in Turkey is given only by the court of the place where the ship is moored, moored to a buoy or vault, berthed or moored.

**ccc) The jurisdiction of the Turkish court in the presence of an agreement on jurisdiction, arbitration and the law applicable to the merits**

**ARTICLE 1356**-(1) If an arbitral tribunal or a foreign court is authorized to adjudicate on the merits of the maritime claim to which the provisional attachment will be applied, pursuant to a jurisdiction or arbitration record in the relevant contract or a separate authorization or arbitration agreement, or if a foreign court is authorized to Even if the law of the state is applied, the courts authorized according to Articles 1354 and 1355 are authorized to issue an interim attachment order to ensure that a maritime claim is secured.

**bb) After the lawsuit is filed**

**ARTICLE 1357**-(1) After a lawsuit has been filed in a domestic court on a maritime claim, a provisional attachment decision can only be requested from the court that heard the case.

(2) If a lawsuit has been filed against a maritime claim before an arbitrator or in a court abroad, the provisional attachment decision may only be requested from the court authorized in accordance with Articles 1354 and 1355, until the final decision is rendered.

**cc) Objections and change requests**

**ARTICLE 1358**-(1) To decide on the objections of persons in whose absence a precautionary seizure decision has been made;

a) The court that has given the precautionary attachment decision before filing a lawsuit on the merits,

b) If a lawsuit has been filed in Turkey on the merits, this court,

c) If a lawsuit has been filed against the merits before the arbitrator or in a court abroad, the court that issued the provisional attachment,

It is authorized.

(2) The courts listed in the first paragraph are also authorized to decide on the applications to be made regarding the amendment of the provisional attachment decision, claims for remuneration, increasing or decreasing the collateral deposited by the parties, changing the type or canceling it.

11271

**b) About the merits**

**ARTICLE 1359**-(1) Pursuant to Articles 1354 and 1355, the court that is authorized to make a provisional attachment decision on maritime claims, if there is no jurisdiction or arbitration agreement regarding the merits of the sea claim, about the lawsuit to be filed to complete the provisional attachment and the enforcement office that implements the provisional attachment shall also carry out enforcement proceedings. is authorized about it.

**c) About enforcement**

**ARTICLE 1360**-(1) In the enforcement of a foreign court or foreign arbitral decision given on the merits of a maritime claim by a Turkish court, which has given a precautionary lien;

a) The vessel is in the jurisdiction of that Turkish court on the date of the enforcement request, or

b) Provided that the security deposited for the release of the ship pursuant to Articles 1370 to 1372 is in the court safe on the date of the enforcement request,

It is authorized.

**d) Regarding the compensation lawsuit to be filed due to unfair precautionary attachment**

**ARTICLE 1361**-(1) The court that made the provisional attachment decision is also authorized to hear the compensation lawsuit to be filed against the wrongful creditor.

(2) If a lawsuit has been filed at home or abroad, before a court or an arbitrator, on the merits of the maritime claim, the conclusion of this lawsuit creates a precautionary problem for the compensation lawsuit.

**4. Evidence by the creditor**

**ARTICLE 1362**-(1) It is sufficient for the creditor to show evidence to the court that his receivable is one of the maritime receivables listed in Article 1352 and its monetary value to the court.

**5. Collateral by the creditor**

**ARTICLE 1363**-(1) It is obligatory for the creditor to issue a precautionary lien to secure the maritime receivable, to provide a security amounting to 10.000 Special Drawing Rights.

(2) The other party may request from the same court to increase the amount of security at each stage. While evaluating this request, the daily operating expenses incurred for the ship and the earnings deprived due to the lien during the period the ship is detained from sailing due to the lien are taken into account. If it is decided to increase the security, the court also determines how long the additional security will be deposited. If the additional security is not deposited within the period, the lien will be automatically lifted.

(3) Ship creditors listed in subparagraph (a) of the first paragraph of Article 1320 are exempt from the obligation to deposit collateral.

(4) The creditor may also ask the same court to reduce the amount of the security deposit.

**6. Making the lien**

**a) Execution of the lien decision**

**ARTICLE 1364**-(1) The creditor is obliged to request the execution of the decision from the enforcement office in the jurisdiction of the court that made the decision or in the place where the ship is located, within three working days from the date of the provisional attachment decision. Otherwise, the provisional attachment decision will be lifted automatically.

11272

**b) Initiation time for the injunction**

**ARTICLE 1365**-(1) Enforcement office immediately imposes precautionary seizure upon request.

(2) Precautionary lien is also made at night and at times considered public holidays according to the Enforcement and Bankruptcy Law.

**c) Seizure of the ship and protection measures**

**ARTICLE 1366**-(1) All the ships for which the lien is decided, regardless of their flag and which registry they are registered in, are barred from sailing and taken into custody by the executive director. It shall be notified to the master or the owner or the non-owner shipowner or a representative thereof that the ship is precautionaryly confiscated and prevented from sailing. The ship is left to the person to whom the notification is made, in the capacity of trustee. The trustee is reminded of his duties and his legal responsibilities, including criminal liability arising from Article 289 of the Turkish Penal Code.

(2) It is sufficient to indicate the name of the ship in the lien report to be drawn up by the officer applying the seizure; value is not required. Upon the request of one of the parties, the value of the ship is determined by the enforcement court; Those who are determined from the file are called to this determination.

(3) The executive director immediately notifies the coast guard command or the security organization responsible for the region where the ship is located, the port authority and the customs administration of the precautionary seizure decision.

(4) The executive director shall notify the precautionary seizure decision on the first business day following the implementation of the decision to the registry where the ship is registered and, for foreign flagged ships, to the nearest consulate of the state whose flag the ship is flying.

**d) The ship is on voyage**

**ARTICLE 1367**-(1) If the ship has actually sailed or is on a voyage at the time the lien decision is to be applied, other than the procedures stipulated in the second to fourth paragraphs of Article 1366,

a) In Turkish flagged ships, the decision of precautionary seizure is notified to the owner, the owner, and the person who is personally responsible for the debt, and a security is given for the sea receivable within ten days, otherwise the ship is to be delivered to the enforcement office in the next voyage, in case the ship is not delivered, The perpetrator is punished according to Article 289 of the Turkish Penal Code;

b) For foreign flagged ships, the precautionary seizure decision may be enforced with the assistance of the coast guard command until the ship leaves Turkish territorial waters.

**e) Scope of the lien, administration and operation of the ship**

**ARTICLE 1368**-(1) The lien of a ship also includes the income and benefits that the debtor derives from the operation of that ship.

(2) The enforcement office shall take all necessary measures for the management, operation, maintenance and protection of the ship.

**7. Exercise of the right of lien**

**ARTICLE 1369**- (1) Precautionary seizure of any ship for which a sea claim is claimed;

a) If the person who is the owner of the ship when the maritime claim arises, is responsible for this debt at the time the lien is applied and is the owner of the ship; or

b) If the person who is the charterer of the ship when the maritime claim arises, is responsible for this debt at the time the lien is applied and is the owner of the ship; or

11273

c) If the maritime pledge is secured by a ship pledge, a ship mortgage or a real obligation of the same nature on the ship; or

d) If the dispute relates to the ownership or possession of the ship; or

e) If the claim gives the ship's creditor the right in accordance with Article 1320,

It is possible.

(2) Arrest of ships other than those listed in the first paragraph; If the ships belong to a person responsible for this maritime claim at the time of the lien, and when the claim arises, this person;

a) The owner of the ship on which a maritime claim has arisen, or

b) If the lessee or the assignee or the shipper,

It is possible.

(3) In disputes regarding the ownership or possession of the ship, an interim attachment decision may be made only for the ship that is the subject of this dispute.

**8. Release of the ship**

**a) Storage of the value of the ship**

**ARTICLE 1370**-(1) If the preemptively confiscated ship is delivered to the enforcement office at any time and in order to ensure this, the value of the ship is stored or the immovable pledge to be accepted by the bailiff, the ship's mortgage or a reputable bank surety is shown to the debtor and the ship is precautiously confiscated while the ship is in the hands of a third party, It can be left to this person by taking a commitment letter.

(2) It is necessary to notify the institutions listed in Article 1366 that the ship is released, provided that the lien on it continues, and the record regarding the lien in the registry must be preserved.

(3) Even if, at the end of the action brought for the continuation of the lien, it is decided to pay the security to the creditor, other maritime creditors may participate in the seizure in accordance with the provisions of this Section until the money deposited as security is withdrawn from the execution cashier.

(4) The ship may be left to this person, provided that the person in possession provides sufficient security for the ship, which is precautionary due to one of the maritime claims listed in subparagraphs (t) and (u) of Article 1352.

(5) The provisions of international conventions to be enforced pursuant to Chapter Seven of this Book are reserved.

**b) Removal of the injunction**

**ARTICLE 1371**- (1) The owner of the ship or the debtor may request from the court the removal of the injunction, by providing sufficient security for the entire sea receivable, interest and expenses, provided that it does not exceed the value of the ship. After starting the proceedings, this authority passes to the enforcement court.

(2) It is necessary to notify the institutions listed in Article 1366 that the lien of the ship has been lifted and the record in the registry regarding the lien must be deleted.

(3) If, at the end of the lawsuit filed for the continuation of the injunction, it is decided that the security is to be paid to the creditor, other maritime creditors cannot have a lien on this security.

11274

**c) Agreement of the parties**

**ARTICLE 1372**-(1) The type and amount of the security to be given pursuant to Articles 1370 and 1371 can be freely decided between the creditor and the owner or non-owner of the ship.

**d) Reserved rights**

**ARTICLE 1373**-(1) Giving a guarantee for the release of the ship cannot be interpreted as an admission of responsibility or waiver of any objection or defense or limitation of liability.

**e) Changing the guarantee**

**ARTICLE 1374**-(1) Pursuant to Articles 1370 to 1372, the person giving the security can always apply to the court to reduce the amount, change the type or cancel the security.

**9. Precautionary lien for re or the same receivable**

**ARTICLE 1375**-(1) If the ship has been seized and released as a precaution at home or abroad for a maritime claim, or if a security has been taken in relation to that ship, the precautionary seizure of the same ship again or for the same claim only;

a) If the type or amount of the initial security is insufficient, provided that the total amount of security to be obtained does not exceed the value of the ship; or

b) If the person who has given the first guarantee fails or is incapable of fulfilling his debts partially or completely; or

c) Preemptive seizure or initial security; released at the request or approval of the creditor acting on reasonable grounds, or because the creditor failed to take reasonable measures to prevent release,

It is possible.

(2) Another ship that may be subject to seizure due to the same maritime claim;

a) If the type or amount of the previously given guarantee is insufficient; or

b) If subparagraphs (b) or (c) of the first paragraph are applicable,

may be levied as a precaution.

(3) In cases where the ship escapes or escapes illegally, the ship is not deemed to be released within the meaning of the first and second paragraphs.

**10. Transactions that complete the lien**

**ARTICLE 1376**- (1) The periods stipulated in the first and second paragraphs of Article 264 of the Enforcement and Bankruptcy Law are applied as one month in the precautionary seizure of ships.

**II – Follow-up of pledged receivables**

**1. Fertile principle**

**ARTICLE 1377**-(1) All liens and liens on the ship arising pursuant to a law or contract or decided to be registered by the court cannot be the subject of a trial or execution separately and independently from the secured receivable.

(2) In order for the pledge and lien rights specified in the first paragraph to be the subject of a judgment proceeding by converting the pledge into money, both the claim and the right of pledge or lien must be determined in the documents having the quality of a verdict or a warrant, or in the ship mortgage contract drawn up at the ship registry directorate.

11275

**2. Right to pursue through bankruptcy**

**ARTICLE 1378**-(1) Even if there is a contractual or legal lien on the ship, the creditor may proceed through bankruptcy.

**3. Other tracking ways**

**ARTICLE 1379**-(1) Creditors who have a legal pledge on the ship can pursue them through foreclosure or according to special procedures on bills of exchange; in this case, they waive their right of legal pledge.

**4. Right of follow-up of pledged creditors**

**a) Legal pledge holders**

**ARTICLE 1380**- (1) The creditors of the ship and the creditors who have been secured with the right of lien on the ship to be receivable, may pursue the proceedings by converting the movable pledge into cash in order to complete the lien or to pursue the receivable directly. This provision applies to all Turkish and foreign flagged ships.

**b) Mortgage holders**

**ARTICLE 1381**-(1) Contractual or legal ship mortgage creditors may pursue proceedings by converting the mortgage into cash. This provision applies to all Turkish and foreign flagged ships.

**III – Forced sale**

**1. Foreclosure**

**ARTICLE 1382**-(1) In the final seizure of all Turkish and foreign flagged vessels, Articles 1364 to 1368 regarding the precautionary seizure are applied.

(2) In the foreclosure of ships, the condition that the claim must be one of the maritime claims listed in Article 1352 is not sought.

**2. Redemption**

**ARTICLE 1383**-(1) Turkish and foreign flagged ships registered in a registry are converted into money in accordance with the provisions of the Execution and Bankruptcy Law regarding the sale of immovables, and Turkish and foreign flagged ships that are not registered in a registry are converted into money in accordance with the provisions of the same Law regarding the sale of movables.

**3. Preparations for the sale of foreign registered ships**

**ARTICLE 1384**-(1) When a foreign registered ship is requested to be sold, the executive director notifies the consulate of the state whose flag the ship is flying and requests the registry of the ship in order to prepare the list of obligations. The creditor may also submit a certified copy of the registry record to the enforcement office. In this case, whichever record comes first, the list is prepared according to that record.

(2) The announcement to be made pursuant to Article 126 of the Enforcement and Bankruptcy Law, by the executive director or those concerned;

a) In the registry state where the ship is registered, the authority responsible for keeping the ship registry,

b) To registered contractual pledge creditors,

c) Legal pledge creditors, provided that they have been notified to the enforcement office,

d) To the registered owner of the ship,

It is obligatory to be announced in one of the newspapers with a circulation of more than fifty thousand and distributed at the level of the country where the registry is actually kept, provided that it is reported or the expenses are covered by the relevant persons.

11276

(3) Written notification specified in the second paragraph is made by registered letter with return receipt, electronic communication tools confirming that the notification has reached the addressee, or by any other suitable means and means.

**4. Announcement of the auction**

**ARTICLE 1385**-(1) An announcement to be made pursuant to Article 126 of the Enforcement and Bankruptcy Law is published in one of the newspapers with a circulation of more than fifty thousand and distributed at the national level, as well as in a daily newspaper about maritime distribution worldwide.

(2) In the announcement, it is stated that the ship will be sold free of all real and personal rights, burdens and limitations, except those loaded by the buyer with the consent of the mortgagee.

**5. Premature sale**

**ARTICLE 1386**-(1) In Turkish and foreign flagged ships, if the owner is also the personal debtor of the maritime claim, sales can be made at the request of the owner.

(2) If the value of the ship decreases rapidly or its preservation becomes too costly, especially if it leads to the emergence of new ship receivables or an increase in their number, the executive director or the creditor may apply to the enforcement court for the premature sale of the Turkish or foreign flagged ship, which has been precautionary or definitively confiscated. The enforcement court decides on this issue after taking the opinion of the relevant parties as understood from the file. Legal remedy is open against this decision. The applied court first examines this application. Applying for legal action stops the execution of the sale decision.

(3) The ship or the goods in it; If there is a danger in terms of human, property and environmental safety, the executive director or the port manager may apply to the enforcement court for the premature sale of the Turkish or foreign flagged ship, which has been precautionary or definitively confiscated. The provisions of the second paragraph shall apply to this application; however, taking legal action does not stop the execution of the sale decision.

(4) Enforcement directorate deposits the sales price to the bank to be determined by the enforcement court, in order to convert it into quarterly time deposit accounts on behalf of the right holders, in order to redeem it until the distribution stage.

**6. Sale by bargaining**

**ARTICLE 1387**- (1) The ship can be sold by bargaining if all the interested parties want it or if the conditions set forth in article 1386 are realized.

**7. Result of sale and tender**

**ARTICLE 1388**-(1) The buyer acquires the ownership of the ship when the ship is tendered or sold to him by the enforcement office.

(2) As soon as the sale price is paid to the enforcement office, all real and personal rights, burdens and restrictions on the ship, except those loaded by the buyer with the consent of the mortgage creditor, expire. The provision of the fourth paragraph of Article 1386 is also applied here.

(3) This article is valid for all ships, regardless of their flag and whether they are registered in the registry.

**8. Row ruler**

**a) Principles**

**ARTICLE 1389**-(1) When a Turkish or foreign flagged ship is sold through foreclosure, if the sale amount is not sufficient to pay all the creditors' receivables, the enforcement office draws up a list of creditors. Receivables are recorded in this table in the order specified in articles 1390 to 1397.

11277

(2) If more than one ship is converted into money in the event of a shipowner's bankruptcy, the order specified in Articles 1390 to 1397 is made separately for each ship and the payment is made according to that order.

(3) Unless the creditors in a row have received their receivables in full, the creditors in the next row are not paid.

(4) If the creditors admitted to the first to seventh ranks of the ranking list cannot collect all of their receivables, they cannot benefit from a priority when applying for the remaining assets of the debtor.

**b) first row**

**ARTICLE 1390**- (1) To the first rank of the list, from the date of the ship's seizure to the date of payment;

a) Expenses and expenses arising from the seizure of the ship, the maintenance and protection of the ship during the sequestration period, the subsistence of the seafarers, the conversion of the ship into money, the distribution of the sales amount,

b) Among the receivables listed in subparagraph (a) of the first paragraph of Article 1320, those relating to the period passed in the seizure,

saved.

(2) The owners of the receivables listed in the first paragraph have equal rights among themselves.

**c) Second row**

**ARTICLE 1391**- (1) In the second row of the list, if the sold ship has been lifted by public institutions for the purpose of safety of navigation or protection of the marine environment, while the ship is aground or sunk, the expenses of this removal are recorded.

**d) Third row**

**ARTICLE 1392**- (1) Among the ship's creditors regulated in subparagraphs (a) to (e) of the first paragraph of article 1320, those who do not enter article 1390 are recorded in the third row of the list.

(2) The receivables listed in the first paragraph are subject to the order shown in Article 1324.

**e) fourth row**

**ARTICLE 1393**-(1) If the ship is in the possession of a shipyard at the time of sale by forced execution, the receivables of the shipyard owner that are secured with a legal mortgage pursuant to Article 1013 or with the right of lien pursuant to Article 950 of the Turkish Civil Code are recorded in the fourth row of the list.

**f) Fifth row**

**ARTICLE 1394**-(1) Customs and other taxes related to the ship subject to tracking are recorded in the fifth row of the list.

**g) Sixth row**

**ARTICLE 1395**-(1) Receivables that are secured by a contractual or legal pledge but do not fall under Articles 1390 to 1394 are recorded in the sixth row of the list.

(2) The receivables listed in the first paragraph are subject to the order shown in the law regulating the right of pledge that guarantees each receivable.

**h) Seventh row**

**ARTICLE 1396**-(1) The maritime claims listed in Article 1352, which are not included in Articles 1390 to 1395, are recorded in the seventh row of the list.

(2) The owners of the receivables listed in the first paragraph have equal rights among themselves.

11278

**i) Eighth row**

**ARTICLE 1397**-(1) The receivables listed in the fourth paragraph of Article 206 of the Execution and Bankruptcy Law are recorded in the eighth row of the list.

(2) The owners of the receivables listed in the first paragraph have equal rights among themselves.

**D) About the item**

**I – Keeping a book for the right to imprisonment**

**ARTICLE 1398**-(1) Articles 270 and 271 of the Execution and Bankruptcy Law are also applied in the conversion of the right of lien on the goods into money pursuant to the provisions of this Law.

(2) The period stipulated in the third paragraph of Article 270 of the Enforcement and Bankruptcy Law is fifteen days for the conversion of the lien rights arising on the goods into money.

(3) Liability rights arising on the goods cannot be the subject of judgment or enforcement separately and independently from the secured claim.

**II – Judicial execution**

**ARTICLE 1399**-(1) If the receivable secured by the right of imprisonment is based on a judgment or a document in the nature of a verdict, the creditor shall follow up with a verdict by converting the movable pledge into money within fifteen days starting from the keeping of the book. In so far, if the right to imprisonment is not specified in the prosecuted verdict or in the document, the debtor may object to the right of imprisonment. In this case, subparagraph (147) of the first paragraph of Article 2 of the Enforcement and Bankruptcy Law shall apply.

**III – Execution without judgment**

**ARTICLE 1400**-(1) If the receivable secured by the right of imprisonment is not based on a judgment or a document in the nature of a verdict, the creditor shall follow up without judgment by converting the movable pledge into money within fifteen days starting from the keeping of the book. The debtor may object to the claim, the right of retention, or both. Article 147 of the Enforcement and Bankruptcy Law applies to this objection.

**BOOK SIX**

**Insurance Law**

**PART ONE**

**General provisions**

**A) Insurance contract**

**I – Basic concepts**

**1. Definition**

**ARTICLE 1401**-(1) The insurance contract, in return for a premium of the insurer, is to compensate in case of occurrence of a danger, risk, which harms a monetary benefit of the person, or to pay a money due to the life span of one or more persons or due to some events that occur in their lives, or It is a contract in which he undertakes to perform other acts.

(2) Articles 604 and 605 of the Turkish Code of Obligations apply to insurance contracts made with an unlicensed company knowing this situation. This provision does not apply to insurance contracts concluded with insurance companies not established in Turkey.

**2. Mutual insurance**

**ARTICLE 1402**-(1) Mutual insurance is a mutual insurance in which more than one person combines to compensate for the losses of any of them in case of a certain risk. Mutual insurance activity can only be carried out in the form of a cooperative company.

11279

**3. Reinsurance**

**ARTICLE 1403**-(1) The insurer may re-insure the insured interest under any conditions it wishes.

(2) Reinsurance does not remove the insurer's debts and obligations towards the policyholder; It does not give the insured the right to file a lawsuit and make a claim against the insured again.

**4. Invalid insurance**

**ARTICLE 1404**- (1) Insurance cannot be made in order to insure a loss that may arise from an act of the insured or the insured against the mandatory provisions of the law, morality, public order and personal rights.

**II – Provisions**

**1. Silence during the conclusion of the contract**

**ARTICLE 1405**-(1) If the proposal submitted by the person who wants to conclude an insurance contract with the insurer for the conclusion of the contract is not rejected within thirty days from the date of the proposal, the insurance contract is deemed to have been concluded.

(2) Payments made at the time of submission of the offer shall be considered as premium or counted as the first premium after the conclusion of the contract. These payments are returned with interest, without deduction, unless the contract is made.

(3) The provision of Article 1483 is reserved.

**2. Representation**

**a) in general**

**ARTICLE 1406**-(1) A person may enter into an insurance contract on behalf of another person on behalf of him; If the representative is unauthorized, he will be responsible for the premiums of the first insurance period.

(2) The person on whose behalf an insurance contract has been made may give authorization to the contract prior to the realization of the risk or after the risk occurs, without prejudice to the provisions of Article 1458.

(3) A contract that is not understood to have been made on behalf of someone else or is made without authorization is deemed to have been made on behalf of the representative, provided that it has an interest.

**b) No instructions**

**ARTICLE 1407**-(1) The representative makes the insurance contract in accordance with the customary conditions of the place where the contract is made, unless any instruction has been given by the policyholder regarding the insurance terms.

**3. Absence of insurance interest**

**ARTICLE 1408**-(1) If the insured interest is not available at the time of conclusion of the insurance contract, the insurance contract is invalid. If the existing interest at the time the contract is made disappears within the term of the contract, the contract will be void at that moment.

(2) The provision of Article 1470 is reserved.

**4. Coverage of the insurance**

**ARTICLE 1409**-(1) The insurer is responsible for the damage or cost arising from the realization of the risk stipulated in the contract.

(2) The burden of proving that any or some of the risks stipulated in the contract is out of the insurance coverage rests with the insurer.

11280

**5. Insurance period**

**ARTICLE 1410**-(1) If the duration is not agreed upon by the contract, it is determined by the court, taking into account the will of the parties, local custom and circumstances and conditions.

**6. Insurance period**

**ARTICLE 1411**-(1) If the premium is not calculated according to shorter time periods, the insurance period is one year according to this Law.

**7. Knowledge and behavior of those other than the insured**

**ARTICLE 1412**-(1) In cases where legal consequences are imposed on the knowledge and behavior of the policyholder, the information and behavior of the insured, in case of a representative, and of the beneficiary in life insurances, are taken into account, provided that he is aware of the insurance.

**8. Termination and withdrawal**

**a) Termination in extraordinary circumstances**

**ARTICLE 1413**-(1) In cases such as the insurer's declaration of concordat, the cancellation of the license for the relevant insurance branch, or the abolition of its authorization to conclude a contract; The policyholder may terminate the insurance contract within one month from the date of learning of these facts.

(2) If the insurer has declared a bankruptcy while he has not paid all of the premiums, the insurer may terminate the insurance contract, following a one-month notification period, from the date of learning of this.

(3) The second paragraph does not apply to compulsory insurances and life insurances that have become exempt from premium payment.

**b) Termination in increasing the insurance premium**

**ARTICLE 1414**-(1) If the insurer raises the premium based on the adjustment condition without making any changes in the scope of the insurance coverage, the insurer may terminate the contract within one month from the date on which the insurer's notification is received.

**c) Partial termination and withdrawal**

**ARTICLE 1415**-(1) If the insurer's termination or withdrawal from the insurance contract with respect to some of its provisions is justified and it is understood that the insurer will not conclude the contract with the remaining provisions on the same terms, the insurer may terminate the entire contract or withdraw from it.

(2) If the insurer partially terminates or withdraws from the contract, the policyholder may terminate or withdraw from the entire contract.

**9. Notifications and notifications**

**ARTICLE 1416**-(1) Notifications and notifications to be made by the insurer to the insurer or the agency that made the contract or mediated its conclusion; Notices and notifications made by the insurer are made to the last addresses of the insured or, if necessary, of the insured or beneficiary notified to the insurer.

**10. Extraordinary situations**

**a) Insolvency of the parties, fruitless follow-up**

**ARTICLE 1417**-(1) The insurer may request a guarantee regarding the fulfillment of its commitment from the insurer who has fallen into a state of insolvency or whose follow-up has been fruitless. If coverage is not provided within one week from this request, the insurant may terminate the contract.

(2) At the request of the insurer, under the same conditions, the provisions of the first paragraph are applied to the insured person who becomes insolvent, bankrupt or whose proceedings are unsuccessful before the premium is paid.

11281

**b) Bankruptcy of the insurer**

**ARTICLE 1418**-(1) In case of bankruptcy of the insurer, the insurance contract ends. Indemnities not paid before the bankruptcy of the insurer, without prejudice to the special provisions, are paid first from the guarantees that must be set aside by the insurer pursuant to the Insurance Law No. 3 of 6/2007/5684, and then from the bankruptcy desk.

(2) Right holders join the bankruptcy desk in the third row, which is regulated in the fourth paragraph of Article 206 of the Execution and Bankruptcy Law.

**11. Premium refund**

**ARTICLE 1419**-(1) If the insurance contract is terminated, the premiums paid for the non-operational days are returned to the insurant, unless otherwise stipulated in the Law.

**12. Timeout**

**ARTICLE 1420**- (1) All claims arising from the insurance contract are time-barred for two years starting from the due date of the receivable, and without prejudice to the provision of Article 1482, claims regarding insurance indemnity and insurance amount in any case, six years from the date of occurrence of the risk.

(2) Provisions in other laws are reserved.

**III – Obligations and obligations of the parties**

**1. Obligations and obligations of the insurer**

**a) Obligation to bear the risk**

**aa) in general**

**ARTICLE 1421**-(1) If there is no contract to the contrary, the liability of the insurer begins with the payment of the premium or the first installment; In insurances related to land and sea transportation of goods, the insurer is responsible for the conclusion of the contract.

(2) The provision of Article 1430 is reserved.

**b) Impossibility**

**ARTICLE 1422**-(1) If the realization of the risk has become impossible without the actions and effects of the insured, the insured and the beneficiary in life insurances before the liability of the insurer begins, the insurer cannot be entitled to premium.

**b) Liability to inform**

**ARTICLE 1423**-(1) The insurer and his agent shall notify the insurant in writing, before the conclusion of the insurance contract, all information regarding the insurance contract to be established, the rights of the insured, the provisions that the insured should pay special attention to, and notification obligations depending on the developments, provided that the necessary review period is allowed. Moreover,

Regardless of the policy, it explains in writing to the insured the events and developments that can be considered important in terms of the insurance relationship during the contract period.

(2) In the event that the clarification explanation is not given, if the policyholder has not objected to the conclusion of the contract within fourteen days, the contract will be concluded with the conditions written in the policy. The proof that the lighting explanation has been given belongs to the insurer.

(3) The Undersecretariat of Treasury determines the form and content of the consumer disclosure statement, taking into account the regulations of various countries and especially the European Union.

11282

**c) Obligation to issue insurance policy**

**aa) in general**

**ARTICLE 1424**-(1) Insurer; If the insurance contract is made by himself or his agent, he is obliged to give a policy signed by the authorities to the insurant, within twenty-four hours from the conclusion of the contract, and within fifteen days in other cases. The insurer is liable for the loss resulting from the late issuance of the policy.

(2) If the policyholder loses his policy, he may request a new policy from the insurer, at his own expense.

(3) In cases where the policy is not given, the proof of the contract is subject to general provisions.

**b) Content**

**ARTICLE 1425**-(1) The insurance policy includes the rights of the parties, the provisions regarding default and the general and special conditions, if any, and is arranged in a way that is easy to read.

(2) If the contents of the policy and the annexes of the addendum are different from the proposal or the agreed provisions, the provisions in the aforementioned documents which are different from the proposal and which are foreseen against the policyholder, the insured and the beneficiary are invalid.

(3) Unless otherwise provided in the laws, a change in the general conditions in favor of the insured, the insured or the beneficiary shall be applied immediately and directly. However, if this change requires additional premiums, the insurer may request premium difference within eight days from the change. If the requested premium difference is not accepted within eight days, the contract continues with the old general conditions.

**d) Debt to pay expenses**

**ARTICLE 1426**-(1) The insurer is obliged to pay the reasonable expenses incurred by the insurer, the insured and the beneficiary in order to determine the scope of the risk, indemnity or payment obligation, even if they are useless.

(2) In cases where under-insurance is made, the provision of Article 1462 is applied by analogy.

**e) Compensation payment debt**

**aa) in general**

**ARTICLE 1427**-(1) If there is no contract regarding the indemnification, the insurance indemnity is paid in cash.

(2) The insurance indemnity or cost becomes due after the realization of the risk and after the documents related to the risk are submitted to the insurer, when the investigations regarding the performance of the insurer are completed and in any case forty-five days after the notification to be made in accordance with Article 1446. For life insurance, this period is fifteen days. If the inspection is delayed due to a fault that cannot be attributed to the insurer, the period does not run.

(3) If the investigations could not be completed within three months starting from the notification to be made in accordance with Article 1446; In order to be deducted from the indemnity or the price, the insurer pays at least fifty percent of the damage amount or price to be determined quickly according to the agreement of the parties or the result of the preliminary appraisal to be made by the court in case of disagreement, as an advance.

(4) When the debt becomes due, the insurer goes into default without the need for a warning.

(5) The provisions of the contract, which provide for the insurer to be freed from the default interest payment debt, are invalid.

11283

**bb) Partial compensation payments**

**ARTICLE 1428**– (1) In insurances other than liability insurance, partial compensation payments made during the insurance period are deducted from the insurance amount unless there is a contrary contract.

(2) In cases of partial loss, the parties may terminate the insurance contract. However, the insurer may exercise its right of termination after payment of partial compensation.

**cc) Fault in the realization of the risk**

**ARTICLE 1429**-(1) The insurer is obliged to indemnify the losses arising from the negligence of the insured, the insured, the beneficiary and the persons for whom they are legally responsible, unless there is a contract to the contrary. In case the insured, the insured and the persons for whom they are legally responsible in order to ensure the payment of indemnity, cause the risk to occur deliberately, the insurer will be relieved of its indemnity debt and will not refund the premiums it has received.

(2) The provisions of the second paragraph of Articles 1495, 1503, and 1504 are reserved.

**2. Debts and obligations of the insured**

**a) Premium payment debt**

**aa) in general**

**ARTICLE 1430**-(1) The insurer is obliged to pay the contractually agreed premium. If there is no contract to the contrary, the insurance premium is paid in advance. Provisions in special laws are reserved.

(2) Insurance premium is paid in cash. Provided that the first installment is paid in cash, a bill of exchange can be issued for subsequent premiums; in this case, the payment is made with the collection of the bill of exchange.

(3) The insured may withdraw from the contract by paying half of the agreed premium before the liability of the insurer begins. In case of partial withdrawal from the contract, the premium that the policyholder is obliged to pay is half of the premium for the withdrawn part.

**bb) Payment time**

**ARTICLE 1431**-(1) If it is decided to pay the entire insurance premium in installments, the first installment must be paid as soon as the contract is made and upon delivery of the policy. In insurances related to the transportation of goods on land and sea, the insurance premium is paid at the time of the contract, even if the policy has not yet been issued.

 (2) The payment time, amount of the following installments and the consequences of not paying the premium on due date are notified to the policyholder in writing together with the policy or these conditions are written on the policy.

(3) In cases where it is decided to pay the insurance premium in installments, when the risk occurs, all premiums related to the indemnity or price to be paid become due.

(4) If the follow-up against the policyholder for the premium debt in the insurance made in favor of someone else has failed, the insured in loss insurance, the beneficiary in life insurance, if this situation is notified to them by the insurer, if they undertake to pay the premium, the contract continues with these people; otherwise, the insurer exercises its rights against the policyholder.

(5) The insurer may deduct the premium receivable from the compensation or price to be paid, without prejudice to the provisions of Article 1480. In this case, the provision of Article 129 of the Turkish Code of Obligations does not apply to insurance contracts.

11284

**cc) Place of payment**

**ARTICLE 1432**-(1) The insurance premium is paid at the address of the insured shown in the contract. If the insurance premium is actually paid at the address indicated by the policyholder, although another payment location is indicated in the contract, the condition regarding this payment location is ignored.

**dd) Reduction of premium**

**ARTICLE 1433**-(1) If there are changes that require the mitigation of the risk in the reasons affecting the premium, the premium is reduced and refunded when necessary.

(2) In case the high premium stipulated in the contract arises from the insured's mistakes regarding the reasons that aggravate the risk, the provisions of the first paragraph shall apply.

**ee) Default**

**ARTICLE 1434**-(1) The policyholder who fails to pay the required insurance premium in accordance with Article 1431 becomes default.

(2) If the first installment or the premium, which must be paid in full, is not paid on time, the insurer may withdraw from the contract within three months as long as the payment is not made. This period starts with promise. In the event that the premium receivable is not requested through lawsuit or follow-up within three months from the date of maturity, the contract shall be withdrawn.

(3) If any of the following premiums are not paid on time, the insurer warns the policyholder to fulfill its debt by giving a period of ten days via notary public or registered letter with return receipt, otherwise, at the end of the period, the contract will be deemed to be terminated. If the debt is not paid at the end of this period, the insurance contract is terminated. Other rights of the insurer arising from the Turkish Code of Obligations due to the default of the insured are reserved.

(4) If two warnings have been sent to the policyholder within an insurance period, the insurer may terminate the contract at the end of the insurance period to become effective. Provisions regarding discount in life insurances are reserved.

**b) Declaration obligation**

**aa) At the conclusion of the contract**

**aa) in general**

**ARTICLE 1435**- (1) The insurer is obliged to inform the insurer about all important matters that he knows or should know during the conclusion of the contract. Matters that are not notified to the insurer, incomplete or incorrectly reported, are considered significant if they are of such a nature as to necessitate not making the contract or making it under different conditions. Matters asked verbally or in writing by the insurer are considered important until proven otherwise.

**bbb) Written questions**

**ARTICLE 1436**-(1) If the insurer has given the policyholder a list of questions to be answered, no liability can be imposed on the policyholder regarding matters other than the questions included in the list presented; unless the policyholder has maliciously concealed an important matter.

(2) The insurer can also ask questions about the issues that he wants to learn outside the list. These questions should also be written and clear. The policyholder is responsible for answering these questions.

11285

**ccc) Connection**

**ARTICLE 1437**-(1) In compensation and compensation payments, the connection between an unreported or incorrectly reported matter and the realization of the risk is taken into account in accordance with the rules stipulated in Article 1439.

**ddd) Knowing the real situation by the insurer**

**ARTICLE 1438**-(1) If the real situation of an undeclared or misreported matter or fact is known by the insurer, the insurer cannot withdraw from the contract by claiming that the declaration obligation has been violated. The burden of proof lies with the insured.

**ee) Sanction**

**ARTICLE 1439**-(1) If an important matter for the insurer has not been reported or has been reported incorrectly, the insurer may withdraw from the contract or request premium difference within the period specified in Article 1440. If the requested premium difference is not accepted within ten days, the contract shall be deemed to have been withdrawn. The fact that an important matter has not been learned as a result of the policyholder's fault or that it is not considered important by the policyholder does not change the situation.

(2) After the occurrence of the risk, if the declaration obligation is violated by the negligence of the insurant, a discount is made from the compensation according to the degree of negligence, if this violation may affect the amount of the indemnity or the cost or the realization of the risk. If the insurer's fault is deliberate, if there is a connection between the breach of the declaration obligation and the actual risk, the insurer's obligation to pay compensation or compensation is eliminated; If there is no connection, the insurer pays the insurance indemnity or cost, taking into account the ratio between the premium paid and the premium payable.

**fff) Form and duration of withdrawal**

**ARTICLE 1440**- (1) The withdrawal must be directed to the policyholder with a statement.

 (2) The withdrawal is notified to the insured within fifteen days. This period starts from the date the insurer learns that the notification obligation has been violated.

**ggg) Provisions of withdrawal**

**ARTICLE 1441**-(1) In case of withdrawal, if the policyholder is deliberate, the insurer is entitled to premiums for the period in which he bears the risk.

**hhh) Loss of the right of withdrawal**

**ARTICLE 1442**-(1) The right of withdrawal cannot be used in the following cases:

a) If the exercise of the right of withdrawal is expressly or implicitly waived.

b) If the insurer caused the breach leading to withdrawal.

c) If the insurer has concluded the contract even though some of its questions are left unanswered.

**bb) Obligation to declare the changes between the making of the offer and its acceptance**

**ARTICLE 1443**-(1) The provisions of the article regarding the declaration obligation at the time of conclusion of the contract regarding the changes between the making of the offer and its acceptance are applied by analogy.

**cc) Within the contract period**

**aa) in general**

**ARTICLE 1444**-(1) After the conclusion of the contract, the insurant cannot engage in acts and actions that aggravate the risk or aggravate the current situation and increase the indemnity amount without the consent of the insurer.

11286

(2) If the insurer or someone else, with his/her permission, takes actions that increase the probability of the risk to occur or aggravate the current situation, or if one of the issues that are clearly accepted as risk aggravation occurs when the contract is made, immediately; If these transactions were made without his knowledge, he shall notify the insurer of the situation within ten days at the latest from the date he learned about this matter.

**bbb) Rights of the insurer**

**ARTICLE 1445**-(1) If the insurer learns, within the term of the contract, that the risk will materialize or the current situation may worsen, or the existence of events that can be considered as risk aggravation in the contract, he may terminate the contract or request premium difference within one month from this date. If the difference is not accepted within ten days, the contract is deemed to be terminated.

(2) The right of termination cannot be exercised if the situation before the changes were made.

(3) The right of termination and premium difference not used within the prescribed period shall be forfeited.

(4) If the increase in the risk is caused by a matter related to the interest of the insurer, an event for which the insurer is responsible, or the fulfillment of a humanitarian duty, and changes in the health status of the insured in life insurances, the provisions of paragraphs one to three shall not apply.

 (5) If the policyholder's negligence is determined after the occurrence of the risk and it is determined that the declaration obligation regarding the changes has been violated, a reduction from the indemnity or price is made, depending on the degree of negligence, if the violation in question is of a nature that may affect the amount of compensation or the price, or the realization of the risk. In case of intent of the policyholder, if there is a link between the change and the actual risk, the insurer may terminate the contract; In this case, no insurance indemnity or cost will be paid. If there is no connection, the insurer pays the indemnity or cost, taking into account the ratio between the premium paid and the premium payable.

(6) If the insurer finds out that the policyholder has deliberately violated his obligation to declare before the risk occurs, even if he terminates the contract according to the first paragraph, he is entitled to the premium for the insurance period in which the change occurred.

(7) In the event that the risk materializes in connection with the change made within the notification period of the termination given to the insurer or the period given for the termination to take effect, it is calculated by taking into account the ratio between the insurance indemnity or the premium paid and the premium to be paid.

**dd) When the risk occurs**

**ARTICLE 1446**-(1) When the insurer learns that the risk has occurred, he/she notifies the insurer without delay.

(2) If the non-delivery or late notification of the occurrence of the risk has led to an increase in the indemnity or price to be paid, a reduction from the indemnity or the price will be sought, depending on the gravity of the fault.

(3) If the insurer has already learned that the risk has actually occurred, he cannot benefit from the provision of the second paragraph.

11287

**c) Obligation to provide information and allow research**

**ARTICLE 1447**- (1) After the occurrence of the risk, the insurer is obliged to provide the insurer with all kinds of information and documents that are required in determining the scope of the risk or indemnity and that can be expected from the insurer, within a reasonable time, pursuant to the contract or upon the request of the insurer. In addition, the policyholder is obliged to allow the insurer to conduct an examination in the places where the risk occurs or in other relevant places, and to take the appropriate measures expected from it, depending on the nature of the information and document it receives.

(2) If the amount to be paid increases due to the violation of this obligation, a reduction is made from the compensation according to the gravity of the fault.

**d) Obligation to prevent and reduce damage and to protect the insurer's recourse rights**

**ARTICLE 1448**- (1) The insurant is obliged to take measures as much as possible in order to prevent, reduce, prevent the increase of the loss or to protect the recourse rights of the insurer to third parties in cases where the risk is realized or has a high probability of realization. The policyholder must comply with the insurer's instructions on this matter as much as possible. In case of the existence of more than one insurer and their inconsistent instructions, the policyholder takes into account the most appropriate of these instructions in terms of reducing the damage and protecting the recourse rights.

 (2) If the breach of this obligation has created a situation against the insurer, a discount is made from the compensation according to the gravity of the fault.

(3) The insurer is obliged to compensate the insured's reasonable expenses in accordance with the first paragraph, even if they are useless, separately from the insurance indemnity or cost. In cases where under-insurance is made, the provision of Article 1462 is applied by analogy.

(4) The insurer, upon the request of the insured, has to pay the required amount as advance in order to cover the expenses.

**e) Violation of the obligations stipulated in the contract**

**ARTICLE 1449**-(1) In case of breach of a contractual obligation to be fulfilled against the insurer, the provisions stating that the insurer can avoid performance by terminating the contract partially or completely, with the exception of the special arrangements in this Law and other laws, shall not have any consequences unless the breach is faulty.

(2) If the violation is based on fault, the right of termination that is not used within one month from the date of learning of the situation is forfeited; unless the Law stipulated a different period.

(3) In cases where the breach does not affect the realization of the risk and the scope of the action to be fulfilled by the insurer, the insurer cannot terminate the contract.

**B) Application area of ​​the provisions of the law**

**ARTICLE 1450**-(1) The provisions of this Law shall not be applicable to contracts made with social security institutions, unless there is a contrary provision in their own laws.

**C) Provisions to be applied on insurance contracts**

**ARTICLE 1451**– (1) In cases where there is no provision in this Law, the provisions of the Turkish Code of Obligations apply to the insurance contract.

**D) Protective provisions**

**ARTICLE 1452**-(1) Contracts contrary to the provisions of Articles 1404 and 1408 and the second sentence of the first paragraph of Article 1429 are invalid.

11288

(2) Contract terms contrary to the provisions of Articles 1418 and 1420 and the second paragraph of Article 1430 are invalid.

(3) 1405, 1409, 1413 to 1417, 1419, 1421, 1422 to 1426 articles, second to fifth paragraphs of article 1427, article 1428, first and third paragraphs of article 1430, first, second and fourth paragraphs of article 1431 and The provisions of Articles 1433 to 1449 cannot be changed against the policyholder, the insured and the beneficiary; is changed, the provisions of this Law shall apply.

**PART TWO**

**Special Provisions Regarding Types of Insurance**

**FIRST PART**

**Loss Insurance**

**A) Property insurance**

**I – Interest and scope**

**1. In general**

**ARTICLE 1453**-(1) Those who have an interest in the non-realization of the risk can secure these interests with property insurance.

(2) Loss of earnings resulting from the realization of the risk and damages arising from the defect of the insured property are not covered by the insurance, unless there is a contract to the contrary. In the context of property, the part of the income that exceeds the reasonable limit cannot be insured.

(3) In group insurances in the nature of property insurance; Even if changes occur in the group of goods due to the entry or exit of goods, the contract is valid with all its provisions.

(4) Property insurance for the group of goods also covers the individual parts of the group.

**2. Insurance in favor of someone else**

**ARTICLE 1454**-(1) The insurant may insure the interests of a third party, by stating his name or not. Rights arising from the insurance contract belong to the insured. Unless otherwise agreed, the insured may demand payment of insurance compensation from the insurer and sue him.

(2) In cases where the name of the third party is mentioned, in case of hesitation, it is accepted that the policyholder acts on behalf of himself, not as the representative of the third party, but in favor of the third party.

(3) In the contract, it may also be left open for whose benefit the insurance was made. If it is understood that such an insurance, which is made "in favor of the person who will be", was made in favor of a third party, the provision of the second paragraph is applied.

**3. Insurance of common interests**

**ARTICLE 1455**-(1) If the person who has an interest in only a part of a property or a right related to that property has insured more than his own part, the part of the insurance regarding this surplus shall be deemed to have been made in favor of those who have the same interest as the insured.

**4. Limitations on interest**

**a) Limited real right**

**ARTICLE 1456**-(1) If the owner's interest on a restricted property with a limited real right is insured, the right of the limited real right owner continues on the insurance indemnity, unless otherwise stipulated by the law.

11289

(2) If the insurer is notified that he has limited real rights on the goods, the insurer cannot pay the insurance indemnity to the insured without the consent of the real rights holders. In cases where the right in rem becomes public or the insurer knows this, there is no need for notification. Indemnity may be paid to the insured for the purpose of repairing or restoring the property subject to the insured benefit and provided that security is provided.

 (3) The insurer, which violates the provisions of the second paragraph, shall be relieved of its liability if the limited real rights holders give written approval to the payment afterwards.

(4) The insurer also notifies the owners of real rights, who have notified him of his right in rem and are known to him, that the insured has defaulted on his premium payment debt and that he has given a warning to the insured due to the premium difference request.

(5) When the contract is terminated or withdrawn by the insurer or the insurer; If the insurer has made a notification of termination or withdrawal, it shall notify the limited real rights holders within fifteen days from the date of such notification or, in other cases, from the expiry of the contract. The insurance contract shall be valid for a period of fifteen days from the expiry of the contract for the right holders in rem. If the real right owner who learns the situation does not notify the insurer that he will continue the contract within these fifteen days, the insurance contract becomes invalid for the real right owner as well. If the right holder wishes to continue the contract, the insurer cannot refuse this request unless there is a justifiable reason.

(6) The insurer, upon request, informs the person who declares that he is the owner of limited real rights, about the insurance protection and the amount of the insurance amount.

(7) Article 1416 shall also apply to the limited real right holder who notifies the insurer of his right ownership.

(8) The provisions of this article do not apply to limited real rights established in favor of the policyholder.

**b) Foreclosure**

**ARTICLE 1457**-(1) If the insured property is seized, the insurer is relieved of its debt by paying the insurance indemnity to the enforcement office, provided that it is informed on time. In the confiscation of a property, the bailiff asks the debtor whether the goods in question are insured, and if so, by which insurer; After learning that the seized property is insured, it warns the insurer that it will be freed from the debt only by paying the insurance indemnity to the enforcement office until further notice.

**II – Retroactive insurance**

**ARTICLE 1458**-(1) Insurance can be made in such a way that insurance protection is provided from a date prior to the conclusion of the contract. However, if it is known by the insurer, the policyholder and the insured, at the time of conclusion of the contract, that the risk has occurred or that the possibility of its realization has disappeared, the contract is invalid. In cases where the insurer or the insured knows but is not known by the insurer that the risk has occurred or the possibility of its realization has disappeared, the insurer is entitled to the entire premium to be paid, although not bound by the contract.

11290

**III – Compensation principle**

**1. In general**

**ARTICLE 1459**-(1) The insurer compensates the loss suffered by the insured.

**2. Insurance value**

**ARTICLE 1460**-(1) The insurance value is the full value of the insured interest.

**3. Insurance cost**

**ARTICLE 1461**-(1) The liability of the insurer is limited to the insurance amount. Even if the insurance amount exceeds the value of the insured benefit at the time of the risk, the insurer will not pay more than the loss suffered.

(2) The provisions of the first paragraph shall not apply to the new value insurances that provide the same compensation.

**4. Provisions**

**a) Under-insurance**

**ARTICLE 1462**-(1) If the insurance amount is less than the insurance value, in case a part of the insured interest is damaged, the insurer pays indemnity according to the ratio of the insurance amount to the insurance value, unless there is a contrary contract.

**b) Over insurance**

**ARTICLE 1463**-(1) If the insurance amount is above the value of the insured interest, the excess is invalid. For this reason, the insurance cost and the portion of the insurance premium that meets it are deducted and the excess premium collected is returned.

(2) The insurance contract signed by the insurant in bad faith in order to gain financial gain is invalid. The insurer, who did not know about the invalidity when the contract was made, is entitled to premium until the end of the insurance period when he learned about the situation.

**c) Taxpayer insurance**

**ARTICLE 1464**-(1) If the parties have determined the insurance value as a certain currency in the contract, this money becomes the basis for the insurance value between the parties.

(2) If the tax is substantially exorbitant, the insurer may request that the tax be reduced. If the expected profit has been taxed, the insurer may request its deduction if the taxpayer exceeds the profit deemed possible to be obtained according to commercial estimates at the time of the contract.

**d) Multiple insurances**

**aa) Rule**

**ARTICLE 1465**-(1) In case the same benefit is insured against the same risks, for the same period, by more than one insurer on the same or different dates, the policyholder shall not be paid more than the insurance amount.

(2) In more than one insurance, the policyholder notifies each of the insurers that the risk has occurred and other insurances made for the same benefit. In case of violation of this provision, the provision of Article 1446 shall apply.

**bb) Co-insurance**

**ARTICLE 1466**-(1) If an interest is insured by more than one insurer at the same time, for the same periods and against the same risks, all insurance contracts made are valid only up to the value of the insured interest. In this case, each of the insurers shall be liable in proportion to the sum insured, according to the sum of the insurance costs.

11291

 (2) If the insurers are jointly and severally liable according to the contracts, the insured cannot demand more money than the loss suffered, and each of the insurers is liable only up to the amount he is obliged to pay according to his own contract. In this case, the recourse right of the paying insurer against other insurers is in proportion to the amounts that the insurers have to pay to the insured in accordance with the provisions of the contract.

**cc) Double insurance**

**ARTICLE 1467**- (1) A benefit whose value is fully insured cannot be subsequently insured by the same or different persons against the same risks for the same periods; If insured, the insurance is deemed valid only in the following cases and conditions:

a) If the next and previous insurers approve; In this case, the insurance contracts are deemed to have been concluded at the same time, and when the risk occurs, the insurance amount is paid by the insurers at the rate indicated in Article 1466.

b) If the insured has transferred its rights arising from the previous insurance to the second insurer or waived those rights; in this case, the transfer or waiver must be written on the second insurance policy; If it is not written, the second insurance contract will be deemed invalid.

c) If the liability of the next insurer is stipulated only for the compensation not paid by the previous insurer; in this case, the previously made insurance must be written on the second insurance policy; If it is not written, the second insurance contract will be deemed invalid.

**dd) Partial insurance**

**ARTICLE 1468**-(1) If the value of the insured interest could not be fully secured by the previous contract, this interest can be insured one or more times up to its remaining value. In this case, the insurers who subsequently insure that benefit shall be liable for the balance in the order of the date of the contract. Contracts made on the same day are deemed to have been concluded at the same time.

**e) The insurer's ability to examine the insured interest**

**ARTICLE 1469**-(1) The insurer may examine the value of the insured interest during the insurance period.

**IV – Change of owner of the insured interest**

**ARTICLE 1470**-(1) In case the owner of the insured interest changes, the insurance relationship terminates unless there is a contrary contract.

**V – Failure to change the damaged property and the place where the damage occurred**

**ARTICLE 1471**- (1) Before the damage is determined, the insurant cannot make any changes in the place and property that is the subject of damage, which would make it difficult or prevent the determination of the cause of damage or the amount of damage; unless this change is made with the approval of the insurer or for the purpose of reducing the loss.

(2) In the culpable violation of this obligation, provided that there is a causal relationship between the violation and the damage, the compensation is reduced according to the gravity of the fault.

11292

**VI – Succession**

**ARTICLE 1472**-(1) When the insurer pays the insurance indemnity, he legally replaces the insured. If the insured has the right to file a lawsuit against those responsible for the damage incurred, this right passes to the insurer up to the amount he indemnifies. If a lawsuit or proceeding has been initiated against those responsible, the insurer may continue the lawsuit or proceeding from where it left off, by proving the payment made to the insured, pursuant to the rule of succession, without the approval of the court or the other party.

(2) If the insured acts in violation of the rights transferred to the insurer according to the first paragraph, he/she shall be liable to the insurer. If the insurer has partially compensated for the loss, the insured retains his right of recourse against those responsible for the remaining part.

**B) Liability insurance**

**I – General provisions**

**1. Subject and scope of the contract**

**ARTICLE 1473**-(1) With liability insurance, the insurer pays indemnity up to the amount stipulated in the insurance contract, unless the contract provides otherwise, to the insured due to the liability of the insured arising from an event stipulated in the contract and occurring during the insurance period, even if the loss occurs later.

(2) If the insurance has been taken out for the responsibility of the insured regarding the business, this insurance also covers the responsibility of the representative of the insured and the persons employed in the business or part of the business in the management, supervision and business, unless there is a contrary provision in the contract. In this case, the insurance is deemed to have been made in favor of these persons.

**2. Legal protection**

**ARTICLE 1474**-(1) When a claim is brought against the insured, reasonable expenses related to the claim shall be borne by the insurer; There must be a provision in the contract in order to pay the expenses exceeding the insurance amount.

(2) The insurer, upon the request of the insured, has to give advances for expenses.

**3. Notification obligation**

**ARTICLE 1475**-(1) The insured shall notify the insurer, within ten days, of the events that will necessitate his liability.

(2) The insured shall immediately notify the insurer of the request addressed to him, unless otherwise agreed. Upon this notification or in case the injured person applies directly to the insurer, Article 1427 is applied.

(3) In case of violation of the notification obligation, the provisions of the second and third paragraphs of Article 1446 are applied by analogy.

**4. Benefits of the insurer**

**ARTICLE 1476**- (1) The Insurer shall undertake to take necessary legal actions, take decisions and also to assist the defense, within five days from the date of notification in accordance with Article 1475, regarding the claims of the injured party and on behalf of the insured, but at his own responsibility and all expenses. notifies the insured whether or not it will undertake it; otherwise, the fourth paragraph of this article is applied.

 (2) The insured carries out the obligatory transactions until the end of the period specified in the first paragraph.

11293

(3) If the insurer has undertaken within the meaning of the first paragraph, he shall observe the rights and interests of the insured.

(4) If the insurer has not made a notification, he pays the indemnity finalized against the insured. However, the settlement agreement concluded by the insured without the approval of the insurer is invalid against the insurer if the agreement is not given within fifteen days from the notification; The insurer cannot avoid giving consent to the settlement for unjustified reasons.

**5. Intentionally causing**

**ARTICLE 1477**-(1) The insurer shall not be liable for the damages arising from the willful realization of the event subject to the liability of the insured.

**6. Right of direct action**

**ARTICLE 1478**-(1) The injured party may directly request compensation from the insurer for the compensation of the damage up to the insurance amount, provided that it remains within the applicable statute of limitations for the insurance contract.

**7. The right of the insurer to receive information from the injured party**

**ARTICLE 1479**-(1) The insurer may request information from the injured party in order to determine the event causing the damage and the amount of damage. The injured party is obliged to submit to the insurer all relevant documents that are likely to be provided and whose request can be justified. In the event that the injured party does not comply with this obligation, the liability of the insurer is limited to the amount it would have to pay had the obligation been fulfilled, provided that the injured party was notified in writing.

**8. Exchange**

**ARTICLE 1480**-(1) The insurer cannot exchange the insurance compensation to be paid to the injured party with the receivables arising from the insurance contract.

**9. Succession**

**ARTICLE 1481**-(1) The insurer legally replaces the insured after paying the insurance indemnity. If the insured has the right to file a lawsuit against those responsible for the damage incurred, this right belongs to the insurer in the amount of the amount he indemnifies.

(2) If a lawsuit or proceeding has been initiated against the liable parties, the insurer may continue the lawsuit or proceeding from where it left off, by proving the payment made to the insured in accordance with the rule of subrogation, without the approval of the court or the other party.

(3) If the insured or the injured party acts in violation of the rights passed to the insurer pursuant to the first paragraph, he/she shall be liable to the insurer.

**10. Timeout**

**ARTICLE 1482**-(1) Compensation claims to be directed to the insurer are time-barred in ten years from the event subject to the insurance.

**II – Compulsory liability insurances**

**1. Obligation to make a contract**

**ARTICLE 1483**-(1) Insurers, without prejudice to the provisions of other laws, cannot avoid making compulsory insurances within the scope of the branches in which they operate.

11294

**2. Obligation to perform in relation to the injured party**

**ARTICLE 1484**-(1) Even if the insurer is fully or partially relieved of his obligation to perform against the insured, the performance obligation for the injured party continues up to the amount of the compulsory insurance.

(2) Termination of the insurance relationship becomes effective against the injured party only one month after the insurer notifies the competent authorities that the contract has ended or will be terminated.

(3) The liability of the insurer ends to the extent that the loss is covered by the social security institutions.

**III – Provisions applicable to liability insurance**

**ARTICLE 1485**-(1) Along with the general provisions, articles 1454 and 1458, the first paragraph of article 1466 and article 1471 are also applied to liability insurance.

**C) Protective provisions**

**ARTICLE 1486**-(1) Contracts made in violation of the second sentence of the second paragraph of Article 1453, the second sentence of the first paragraph of Article 1458, Articles 1459 and 1461, the first paragraph of Article 1463, and the provisions of Articles 1472 and 1477 are invalid.

(2) Contract terms contrary to the provisions of the first paragraph of Article 1456, Articles 1465 to 1468, 1479, 1480, 1482, 1484 and 1485 are invalid.

(3) The second paragraph of Article 1471, the provisions of Articles 1474 to 1476 cannot be changed against the insured; is changed, the provisions of this Law shall apply.

**SECOND PART**

**Life Insurances**

**A) Life insurance**

**I – Definition**

**ARTICLE 1487**-(1) With life insurance, the insurer undertakes to pay the insurance amount to the policyholder or the person designated by him, in case of death or survival of the insured, in return for a certain premium.

(2) If the person whose life is insured dies before the first premium is paid, the insurance contract is invalid.

**II – Tontine**

**ARTICLE 1488**-(1) Tontins can be established in accordance with the principle of dividing the assets created by the contributions given by more than one person between the survivors on a certain date and the beneficiaries, if the deceased has predetermined it.

**III - Withdrawal from the contract**

**ARTICLE 1489**-(1) The insurant may withdraw from the contract within fifteen days after the insurer notifies him that he can exercise his right of withdrawal. It is proved by the insurer that the information was given. If no notification is made, the right of withdrawal expires one month after the first premium is paid.

(2) The provision of Article 1430 is reserved.

**IV – Person whose life will be insured**

**ARTICLE 1490**-(1) The insurer may insure his or someone else's life against the possibility of death or survival.

11295

(2) In order to insure the life of another, the beneficiary must have an interest in the continuation of that person's life. In addition, in insurances against the possibility of death, if the insurance cost exceeds the usual funeral expenses, the written consent of the insured or his legal representative, if any, is required. If the insured is older than fifteen years of age, his/her permission is also obtained apart from the legal representative. A contract made without permission is void if permission is not given.

(3) In cases where the legal representative is appointed as the beneficiary or he is the insured, the legal representative does not have the authority to represent the insured in issuing the permit.

(4) In case the benefit clause disappears after the conclusion of the contract, the contract becomes invalid from that moment on; however, the surrender value is paid to the insured.

**V – Fuse value**

**ARTICLE 1491**-(1) A person's life can be insured by one or more insurers on various costs.

(2) In cases where the amount to be paid is more than the beneficiary's financial benefit, the excess is deemed to have been made in favor of the insured.

(3) The provision of Article 1472 does not apply to life insurances. Pursuant to the life insurance contract, it is invalid for the insured and the heirs of the insured and the heirs of the persons who are the subject of the risk, who collect the agreed insurance amount from the insurance company, to the insurance company the compensation they have against the third party who caused the risk to occur.

**VI – Doctor review**

**ARTICLE 1492**-(1) Even if it is agreed between the insurer and the insurer that the person to be insured should undergo a medical examination, the insurer cannot force the insured person to undergo this examination.

**VII – Beneficiary**

**1. Assignment and replacement**

**ARTICLE 1493**- (1) The insurant may conclude an insurance contract in favor of a real or legal person, without prejudice to the second and third paragraphs of Article 1490.

(2) The insurer notifies the beneficiary he has appointed to the insurer.

(3) In case the beneficiary has not been notified to the insurer, the insurer is relieved of his debt with the payment made in good faith.

(4) If the insured has handed over the insurance policy to the beneficiary, although he has written on the insurance policy that he has renounced his right to change, he cannot change that person. In case of hesitation, it is considered that the insured reserves the right to change the beneficiary. Even in cases where the policyholder expressly gives up the right to change the beneficiary and the insurance policy is given to the beneficiary, the beneficiary can be changed if the cases of exclusion from the inheritance or recourse from the grant have occurred or the reason for the appointment of that person as the beneficiary among the relevant parties has disappeared.

(5) Beneficiary assignment and beneficiary changes are not subject to the consent of the insurer.

(6) In cases where the beneficiary cannot be changed, if the rights to leave and borrow are used by the insurant, the beneficiary is entitled not only to the amount to be paid, but also to the amount to be paid as a result of the bankruptcy of the insurer before the realization of the risk, unless otherwise agreed.

(7) The right to demand and collect performance from the insurer belongs to the beneficiary, unless otherwise agreed.

11296

**2. Interpretation rule on beneficiary assignment**

**ARTICLE 1494**-(1) In insurances made against the risk of death, if more than one person is appointed as beneficiary without specifying their shares, all of them have equal rights on the insurance amount. The share not taken by one of the right holders is added to the share of the others. The refusal of the inheritance or the abandonment of the inheritance will not affect the right of the beneficiary.

(2) If the beneficiary is not specified in the insurances made against the risk of death, it is considered that the contract is made in favor of the heirs of the insured, and in the insurances against the possibility of life, in favor of the insured.

**VIII – Right in favor of the insured**

**ARTICLE 1495**-(1) In the event that the beneficiary cannot win the right to claim against the insurer, this right passes to the insured, and in case of death, to his heirs.

**IX – Group fuses**

**ARTICLE 1496**-(1) Insurance can be made with a single contract in favor of persons included in a group consisting of at least ten people, who have the opportunity to determine who they are according to certain criteria, by the policyholder. During the continuation of the contract, everyone in the group benefits from the insurance until the end of the group insurance contract. If the group falls below ten people after the conclusion of the contract, it does not affect the validity of the contract.

(2) A document summarizing the policy content is given to each person in the group.

(3) The right to appoint the beneficiary in group insurances belongs to the person in the group, unless otherwise agreed.

(4) In case of leaving the group within the contract period, the coverage provided by the group insurance may be continued individually by the policyholder, the insured or the beneficiary, unless otherwise agreed. The insured or beneficiary can continue the contract individually, only in the capacity of the insured. These persons are responsible, together with the previous insurer, for their premium debts of the past days.

(5) Separation, borrowing, downloading, notification obligation and other related issues in group insurances are regulated by a regulation to be issued by the Ministry to which the Undersecretariat of Treasury is affiliated.

**X – Statements**

**1. False age statement**

**ARTICLE 1497**-(1) If the premium is determined to be low as a result of incorrect reporting of the age of the insured at the time of conclusion of the contract, the insurance amount is paid according to the ratio of the premium to be received according to the real age to the determined premium. If the risk is realized and the insurance cost is paid before the discount, the insurer may request the return of the excess amount paid, together with the interest.

(2) In case of paying more premium than the real age, the insurance amount is increased according to the premium paid. If the insurance cost is paid before the increase, the missing part is completed by the insurer.

(3) The Insurer may withdraw from the contract only if the real age is outside the limits determined according to the technical principles at the time of the contract, due to incorrect age declaration.

11297

**2. Violation of the declaration obligation at the time of conclusion of the contract**

**ARTICLE 1498**-(1) If five years have passed since the conclusion of the contract, including the renewals, the insurer cannot withdraw from the contract due to the fact that the insurant has violated its obligation to declare during the conclusion of the contract, and may only request premium difference; unless the duty of disclosure has been deliberately violated. If the insurer does not agree to pay the premium difference, the insurer pays the insurance amount by taking into account the ratio between the premium paid and the premium to be paid when the risk occurs. However, if the risk increase is beyond the limits determined according to the technical principles of the insurer due to the breach of the declaration obligation, the insurer may withdraw from the contract. In renewed contracts, this period starts from the date of the first contract.

**3. Violation of the declaration obligation during the continuation of the contract**

**ARTICLE 1499**-(1) If five years have passed since the increase of the risk, including the renewals, the insurer cannot terminate the contract due to the breach of the declaration obligation of the policyholder; may only ask for the premium difference; unless the duty of disclosure has been deliberately violated. If the insurer does not agree to pay the premium difference, the insurer pays the insurance amount, taking into account the ratio between the premium paid and the premium to be paid, when the risk occurs. However, if the risk increase due to the breach of the declaration obligation is outside the limits determined according to the technical principles, the insurer may terminate the contract.

**XI – Withdrawal from insurance**

**ARTICLE 1500**-(1) The policyholder can leave the insurance by terminating the contract at any time, for insurance contracts that have been in force for at least one year and for which one-year premium has been paid. The leave value is the value calculated in accordance with the generally accepted actuarial rules at the time the leave is requested.

(2) In insurances made against the possibility of survival, the insured must prove that he or she is healthy in order to be asked for the separation value from the insurer.

**XII - Lending**

**ARTICLE 1501**- (1) In insurance contracts that have been in effect for at least one year and whose premium has been paid for one year, the insurer, upon the request of the insurant, is obliged to lend money to the insured at the time of request, at the value calculated in accordance with the generally accepted actuarial rules.

**XIII – Premium-free insurance**

**ARTICLE 1502**-(1) In insurance contracts that have been in effect for at least one year and for which one-year premium has been paid, if the insurer does not fulfill his obligation to pay premiums later, the insurer cannot terminate the contract and demand premiums for this reason. In this case, the insurance turns into insurance exempt from premium payment. In insurance exempt from premium payment, the insurance amount is paid according to the ratio between the premium paid and the premium payable pursuant to the contract.

**XIV – Suicide**

**ARTICLE 1503**-(1) If the insured commits suicide after the expiry of this period or dies as a result of suicide attempt, in a contract that has been ongoing for at least three years, including renewals, and concluded against the possibility of death, the insurer is obliged to pay the insurance cost.

(2) If the insured's suicide or suicide attempt occurred before three years due to a mental disorder, the insurer has to pay the insurance cost.

11298

**XV – Insured or beneficiary kills the insured**

**ARTICLE 1504**-(1) If the insured kills the insured or is complicit in his murder in order to cause the debt to pay the insurance cost, the insurer is relieved of his obligation to pay the price.

(2) If the beneficiary has killed the insured or has been complicit in his murder in any way, he will be deprived of the insurance amount and this amount will be paid to the heirs of the deceased.

**XVI – Beneficiary replacing the insured**

**ARTICLE 1505**- (1) If the receivables arising from the insurance contract in favor of the insurant are precautionary or definitively seized, or if it is decided to file bankruptcy about the insured, the beneficiary indicated by name may become a party to the insurance contract with the approval of the insured.

(2) If the beneficiary becomes a party to the contract, in the event of termination of the contract by the insurer, he is obliged to meet the receivables of the creditor or the bankruptcy desk up to the amount that the insured may request from the insurer.

(3) If the beneficiary is not shown in the contract at all or by specifying his name, the right described in the first paragraph passes to the spouse and children of the insured.

(4) In order for the beneficiary or his spouse and children to become a party to the contract instead of the insured, they must notify the insurer. If the beneficiary or his spouse and children learn of the lien or fail to notify within one month from the date the bankruptcy was filed, the right described in the first paragraph is forfeited.

**XVII – Bankruptcy of the insurer**

**ARTICLE 1506**-(1) In the case of insurances with a duration of more than one year at the date of the insurer's bankruptcy, if the risk has not occurred or has occurred but the price has not been paid, the mathematical provisions at the time the bankruptcy was filed in the first case and the risk occurred in the second case are paid to the beneficiaries. In cases where the risk occurs, the part exceeding the mathematical provisions is covered by the insurer's guarantee; the amount that remains open enters the garama.

**B) Accident insurance**

**I - in general**

**ARTICLE 1507**-(1) Accident insurance provides insurance coverage for the insured's death, temporary or permanent disability or incapacity to work as a result of an accident, in return for a certain premium. If the death occurred suddenly or within one year at the most from the date of the accident, the insurance amount is paid to the insured or the person determined by him; in cases of temporary and permanent disability or incapacity to work, it is paid to the insured. (1)

(2) The insured person, who is temporarily deprived of his working power, is given compensation on a daily basis for the period of deprivation, limited to the period written in the policy.

**II – Treatment expenses**

**ARTICLE 1508**-(1) Unless otherwise agreed, the insurer is obliged to pay the treatment expenses of the insured in addition to the price written in the policy.

**III – Insured**

**ARTICLE 1509**- (1) Insurance against accident can be made against accidents that the policyholder or someone else may suffer.

*-----------------*

*(1) With the article 25 of 4/2013/6462 dated and 1 numbered Law, the phrases "disability" in this paragraph are "disability" It has been changed.*

11299

**IV – Provisions to be applied**

**ARTICLE 1510**- (1) The second to fourth paragraphs of Article 1490, which regulates the insured in life insurances, are also applied to insurances made for the risk of death as a result of an accident.

(2) Other provisions regarding life insurance are also applicable to accident insurance by analogy.

(3) If it is envisaged that the actual loss will be covered by the insurer, the provisions regarding loss insurance shall also apply to accident insurance by analogy.

**C) Sickness and health insurance**

**I – Taking out the insurance**

**ARTICLE 1511**-(1) Disease and health insurances can be made in favor of the insured; In sickness insurance, beneficiaries can also be determined.

**II – Guarantees**

**1. Insurance cover**

**ARTICLE 1512**-(1) With sickness insurance, the insurer provides insurance coverage for the realization or occurrence of one or more of the diseases stipulated in the contract within the contract period. If more than one disease is covered by insurance coverage in the contract, if one of the diseases occurs or occurs, the price is paid and the contract ends. It is accepted that the guarantee is given for the occurrence of only one of the diseases, unless otherwise agreed.

**2. Health insurance coverage**

**ARTICLE 1513**-(1) Health insurance and insurer;

a) Expenses agreed in the contract, including all kinds of medical care, pregnancy and childbirth, early diagnosis of diseases, including outpatient examinations, including drugs that become necessary as a result of illness,

b) Daily hospital expenses in cases where medical inpatient treatment is required,

c) The daily incapacity benefit determined for the earnings that the insured cannot obtain due to the inability to work as a result of illness,

d) If the insured becomes in need of care, the expenses incurred due to care or the agreed daily care allowance,

guarantees for.

(2) The guarantee covers all the amounts in the first paragraph, unless otherwise agreed.

**III – Insurance value**

**ARTICLE 1514**-(1) The health of the insured can be insured by one or more insurers at various costs in health insurances organized as sickness insurance and sum insurance.

(2) In cases where the amount to be paid is more than the benefit, the excess is deemed to have been made in favor of the insured.

11300

**IV – beneficiary in sickness insurance**

**ARTICLE 1515**-(1) In order to be able to insure the illness of another by determining the beneficiary, there must be a relationship of interest between that person and the beneficiary. Written consent of the insured is also required. In cases where the legal representative of the insured is present, the written consent is given by the legal representative. If the insured has completed the age of fifteen, his/her consent is also obtained; otherwise the contract is void.

(2) In cases where the legal representative is determined as the beneficiary or is the policyholder, he is not authorized to represent the insured in issuing the permit.

(3) The insurant is obliged to notify the beneficiary that it has determined to the insurer. If this obligation is not fulfilled, the insurer is relieved of its debt with the payment made in good faith.

(4) In cases where the beneficiary is not specified, the insurance is deemed to have been made in favor of the insured.

**V – cooldown**

**ARTICLE 1516**-(1) In insurance contracts stipulating waiting periods, the upper limit of the waiting period is determined by the Undersecretariat of Treasury or an institution deemed appropriate by the Undersecretariat.

**VI – Insurance coverage of the newborn baby and the adopted**

**ARTICLE 1517**-(1) If there is a sickness or health insurance for one of the parents at the time of birth, the baby is covered by the insurance without any additional premium as of the completion of the birth, unless otherwise agreed. However, for this, the birth must be notified to the insurer within two months at the latest.

(2) The provision of the first paragraph is also applied to the adopted minors.

**VII – Right to request information**

**ARTICLE 1518**- (1) While examining the obligation to perform, the insurer, upon the request of the person concerned or his legal representative, must provide the doctor determined by them with information about the report he received on whether the disease covered by the coverage has occurred and the necessity of medical treatment, and the opportunity to examine the report.

**VIII – Other provisions applicable to sickness and health insurance**

**ARTICLE 1519**-(1) Provisions regarding life insurance are also applied to sickness insurance, apart from the provisions of Articles 1497 and 1504. However, the application of Article 1503 to sickness insurance depends on the fact that the risk envisaged in the contract has occurred due to attempted suicide.

(2) In health insurances where the insurer is expected to cover real losses such as expenses for illness, medicine and treatment expenses incurred by the insured, the provisions regarding loss insurance and the provisions of Articles 1500 to 1502 are also applied to health insurance, apart from the general provisions.

**IX – Protective provisions**

**ARTICLE 1520**-(1) Contracts contrary to the provisions of the second paragraph of Article 1487, the first sentence of the second paragraph of Article 1490 and the fourth paragraph, Article 1504 and the first sentence of the first paragraph of Article 1515 are invalid.

11301

(2) Third paragraph of article 1490, second paragraph of article 1491, first paragraph of article 1496, article 1506, first paragraph of article 1507, article 1510, article 1511, second paragraph of article 1514, first paragraph of article 1515 The terms of the contract contrary to the provisions of the second sentence and the second paragraph, Article 1518 and Article 1519 are invalid.

(3) The provisions of Article 1489, second and third sentences of the second paragraph of Article 1490, Article 1492, Articles 1497 to 1503, the fourth sentence of the first paragraph of Article 1515 and Article 1517 cannot be changed against the policyholder, the insured and the beneficiary; is changed, the provisions of this Law shall apply.

**FINAL PROVISIONS**

**A) Proceedings in company cases**

**ARTICLE 1521**-(1) In commercial companies, simple trial procedure is applied in lawsuits arising from partnership or shareholding of partners or shareholders with the company or with each other, or in lawsuits to be filed against the members of the board of directors, directors, managers, liquidators or auditors of the company.

**B) Businesses according to their scale**

**ARTICLE 1522**-**(Değişik: 26/6/2012-6335/33 md.)**

(1) The criteria defining small and medium-sized enterprises are regulated by a regulation by the Ministry of Customs and Trade, taking the opinions of the Union of Chambers and Commodity Exchanges of Turkey and the Public Oversight, Accounting and Auditing Standards Institution. The regulation is published in the Official Gazette. These criteria are applied to all relevant provisions of this Law.

**C) Capital companies according to their scale**

**ARTICLE 1523**-(1) The criteria for small and medium-sized enterprises determined in accordance with Article 1522 of this Law are also valid for capital companies. Capital companies above these criteria are considered large capital companies.

(2) Even if they are small and medium-sized companies, the following companies are considered large capital companies:

a) **(Mülga: 26/6/2012-6335/43 md.)**

b) Banks, investment banks, insurance companies, pension companies and the like, one of the main areas of activity of which is to preserve the assets in the capacity of reliable persons on behalf of a wide audience.

(3) If the size criteria determined according to the first paragraph are exceeded in two consecutive operating periods as of the balance sheet date, or if these criteria are undershot, the position of the company in terms of size changes.

(4) In case of conversion and mergers in the form of new establishments, the position of the company is determined on the first balance sheet day after the conversion or merger takes place, in accordance with the conditions in the first and second paragraphs.

(5) The rights of workers' unions and officials and persons stipulated in other laws to receive information on this matter are reserved.

11302

**D) Electronic transactions and information society services**

**I – Website**

**ARTICLE 1524**-**(Değişik: 26/6/2012-6335/34 md.)**

(1) In accordance with the fourth paragraph of Article 397, capital companies that are subject to audit are obliged to open a website within three months from the date of registration of their establishments in the trade registry and to dedicate a certain part of this website to the publication of announcements that must be made by the company by law. The content to be published on the website, if a certain period of time is specified in this Law, within this period, if not, from the date of the transaction or event on which the content is based, within five days at the latest, from the date of registration or announcement in cases where the content is linked to the registration or announcement, from the establishment of the company until the website is opened. The contents that should be published in the elapsed time are also placed on the site on the date this site is opened.

(2) Failure to comply with the obligations stipulated in the first paragraph constitutes the reason for the annulment of the relevant decisions, leads to the emergence of all the consequences of the violation of the law, and causes the liability of the directors and board members with faults. Penal provisions are reserved.

(3) The section of the website devoted to information society services is open to everyone. The use of the right of access cannot be limited to records such as being related or having an interest, nor can it be tied to any conditions. In case of violation of this principle, anyone can file a lawsuit for unblocking.

(4) The date and the phrase “directed message” in parentheses are placed at the beginning of the content published in the section of the website dedicated to the purposes of this article. This phrase can only be changed by complying with this Law and the regulation mentioned in this paragraph. It is the presumption that a message in the specific part is directed. The registration of the site under a number and other related issues are regulated by a regulation by the Ministry of Customs and Trade.

(5) Unless a longer period is stipulated in this Law and other relevant laws or administrative regulations, a content posted on the company's website remains on the website for at least six months from the date on it, otherwise it is deemed not posted.

(6) Regarding the website, the regulations stipulated in the relevant articles of this Law and in this article do not apply to capital companies that are not subject to audit.

11303

**II – Statements, documents and promissory notes**

**ARTICLE 1525**-(1) Notifications, warnings, objections and similar statements, provided that the parties expressly agree and the third paragraph of Article 18 is reserved; Invoice, confirmation letter, commitment letter, meeting calls and electronic sending and electronic storage agreement made in accordance with this provision can be drawn up, sent, objected to in electronic environment and become valid if accepted.

(2) The procedures and principles regarding the registered e-mail system, the transactions to be made with this system and their results, the real persons, businesses and companies with the registered mail address, the rights and obligations of the registered e-mail service providers, their authorization and supervision shall be issued by the Information Technologies and Communication Authority. regulated by regulation. The Regulation shall be published within five months following the publication of this Law.

**III – Secure electronic signature**

**ARTICLE 1526**-(1) Policies, bills, cheques, receipts, warrants and bills similar to bills of exchange cannot be issued with a secure electronic signature. Transactions related to these bills such as acceptance, endorsement and endorsement cannot be made with a secure electronic signature.

(2) The signature of the bill of lading, the waybill and the insurance policy can also be signed by hand, facsimile printing, staples, stamps or any mechanical or electronic means in the form of symbols. To the extent permitted by the laws of the country in which they are issued, the records to be included in these bills can be written, created and sent by handwriting, telegram, telex, fax and other electronic means.

(3) Regarding trading companies and other natural and legal person merchants, all transactions required by this Law can also be carried out in electronic environment with a secure electronic signature. The documents that are the basis of these transactions can also be prepared electronically in the same way. In cases where the time element must be determined and regulated in the regulation, the date of the timestamp added to the secure electronic signature, in other cases the date in the central database system is taken as basis. (1)

 (4) Persons authorized to sign on behalf of the company can sign on behalf of the company with a secure electronic signature produced on their behalf. In this case, in the qualified electronic certificates to be used, the name of the legal person represented by the certificate owner is written in the certificate owner field. This matter is registered and announced.

-----------------

*(1) With Article 26 of the Law No. 6 dated 2012/6335/40, the phrase "in the statute" in this paragraph has been changed to "in the regulation".*

11304

(5) The procedures and principles regarding the implementation of the third and fourth paragraphs of this article are indicated in the regulation regulated in article 26.

**IV – Boards in electronic environment**

**1. Principles**

**ARTICLE 1527**-(1) Provided that it is regulated in the articles of association or the articles of association, the board of directors and the board of directors in capital companies can be held completely electronically, or it can be carried out by the participation of some members electronically in a meeting where some members are physically present. In such cases, the provisions regarding the meeting and decision quorums stipulated in the Law or the articles of association and the articles of association are applied exactly.

(2) Participating in the board of shareholders and the general assembly, making proposals and voting in the electronic environment, as stipulated in the articles of association and the articles of association, in collective, limited partnership, limited liability companies and companies whose capital is divided into shares, creates all the legal consequences of physical participation, making suggestions and voting.

(3) In the cases stipulated in the first and second paragraphs, in order to be able to vote in the electronic environment, the company has a website dedicated to this purpose, the partner makes a request in this way, the suitability of electronic media tools to participate effectively is proven with a technical report and this report is registered and announced, and the voters Keeping their identities is essential.

(4) In the companies mentioned in the first and second paragraphs, as per the articles of association or the articles of association, the company management fulfills all the conditions for voting in this way and provides all necessary tools to the partner.

(5) Participating in general assemblies electronically in joint stock companies, making suggestions, expressing opinions and voting results in all the legal consequences of physical attendance and voting. The principles of implementation of this provision are regulated by the regulation prepared by the Ministry of Customs and Trade. The Regulation includes a sample of the articles of association provision regarding attending and voting in the general assembly electronically. Joint stock companies cannot make changes to this provision, which will be transferred verbatim from the regulation. The Regulation also includes the rules that ensure the use of the game by the real owner or his representative, and the authorities of the Ministry representatives regarding this matter, stipulated in the third paragraph of Article 407. With the entry into force of this regulation, participation in general assemblies electronically and implementation of the voting system becomes mandatory in companies whose shares are listed on the stock exchange.

(6) The rules regarding the use and implementation of the game by the real owner within the framework of the provisions of the first to fourth paragraphs, and the principles and procedures for the shareholder to give instructions to his representative through the website are regulated by a communiqué to be issued by the Ministry of Customs and Trade.

**2. Application rules**

**ARTICLE 1528**-(1) Shareholders, shareholders and members of the board of directors who want to use the electronic environment notify the company of their e-mail addresses.

**E) Corporate governance principles**

**ARTICLE 1529**-(1) In publicly held joint stock companies, the principles of corporate governance, the principles of the board of directors' statement on this matter, and the rating rules and results of the companies in this respect are determined by the Capital Markets Board.

(2) Provided that the assent of the Capital Markets Board is obtained, other public institutions and organizations may make limited detailed arrangements regarding corporate governance principles that may only be applicable to their own fields.

**F) Consequences of late payment in the supply of goods and services and transactions prohibited by commercial provisions**

**ARTICLE 1530**-(1) Unless otherwise provided, transactions and conditions prohibited by commercial provisions are void. However, contracts that exceed the highest limit set by the law or the competent authorities for the actions to be fulfilled in accordance with the contract are deemed to have been concluded over the highest limit; Even if the actions exceeding the limit were not performed by mistake, they are undone. In these limits, the second sentence of the second paragraph of Article 27 of the Turkish Code of Obligations is not applicable.

(2) In transactions between commercial enterprises for the purpose of supplying goods and services, although the creditor has fulfilled its supply debt arising from the law or the contract, unless the debtor cannot be held liable for delay, if he does not pay his debt on the date stipulated in the contract or within the specified payment period, it will be in default without warning. falls.

(3) The creditor of the defaulting debtor is entitled to interest from the date stipulated in the contract or from the day following the end of the payment period, even if it is not stipulated.

(4) If the payment date or period is not specified in the contract or the specified period is contrary to the fifth paragraph, the debtor is deemed to be in default at the end of the following periods without the need for a warning and the creditor is entitled to interest:

a) At the end of the thirty-day period following the receipt of the invoice or the equivalent payment request by the debtor.

b) If the receipt date of the invoice or the equivalent payment request is uncertain, at the end of the thirty-day period following the receipt of the goods or services.

c) At the end of the thirty-day period following the delivery date of the goods or services, if the debtor has received the invoice or the equivalent payment request before the delivery of the goods or services.

d) In cases where the procedure for acceptance or review of the good or service is stipulated in the law or the contract, if the debtor has received the invoice or the equivalent payment request on the date of acceptance or review or before this date, at the end of the thirty-day period following this date; provided that the period stipulated in the contract for acceptance or review exceeds thirty days from the receipt of the goods or services and this situation creates a grave injustice against the creditor, the acceptance or review period is considered as thirty days from the receipt of the goods or services.

(5) The payment period stipulated in the contract can be a maximum of sixty days from the date of receipt of the invoice or an equivalent payment request or the receipt of the goods or services or the completion of the review and acceptance procedure of the goods or services. In so far, the parties may envisage a longer period, provided that it does not create a grave unfair situation against the creditor and by expressly agreeing. However, in cases where the creditor is a small or medium-sized enterprise (SME) or an agricultural or animal producer, or the debtor is a large-scale enterprise, the payment period cannot exceed sixty days.

(6) The provisions of the contract, which stipulate that no default interest will be paid or that less interest will be paid, which can be deemed grossly unfair, that the obligee will not be liable for the damage to be incurred by the creditor due to late payment, or that the debtor may be held liable in a limited way. In case of invalidity, the seventh paragraph is applied.

(7) Pursuant to the provisions of this article, the Central Bank of the Republic of Turkey announces the interest rate to be applied in cases where the default interest rate for late payments made to the creditor is not stipulated in the contract or the relevant provisions are invalid, and the minimum amount of expenses that can be claimed for the collection expenses of the receivables, in January each year. The interest rate must be at least eight percent higher than the default interest rate to be applied to commercial transactions stipulated in the Law on Legal Interest and Default Interest, dated 4/12/1984 and numbered 3095.

(8) In cases where it is foreseen to pay the price of goods or services in installments, the provisions of this article regulating the payment periods are applied for the first installment. The unpaid portion of each installment amount is subject to default interest at the rate stipulated in the seventh paragraph. In cases where the creditor is a small or medium-sized enterprise or agricultural or animal producer and the debtor is a large-scale enterprise, the provisions of the contract that stipulate payment in installments are invalid.

**G) Legality of the terms “company” and “partnership”**

**ARTICLE 1531**-(1) According to this Law, the terms “partnership”, “collective partnership”, “commandite partnership”, “joint stock partnership”, “commandite partnership divided into shares”, “limited partnership” and “cooperative partnership” are respectively referred to as “company”. are legal terms synonymous with “collective company”, “company limited liability company”, “joint stock company”, “company with limited capital”, “limited company” and “cooperative company” and these terms can be used interchangeably.

**H) Trade registry fees**

**ARTICLE 1532**-(1) Twenty-five percent of the remaining amount of the trade registry fees collected in accordance with the provisions of the Fees Law No. 2 dated 7/1964/492, after deducting the rejections and refunds, is transferred to be recorded in the chamber responsible for keeping the trade registry.

**i) Repealed provisions**

**ARTICLE 1533**-(1) Turkish Commercial Code dated 29/6/1956 and numbered 6762 has been repealed.

**PROVISIONAL ARTICLE 1**-(1) Turkish Accounting Standards determined by the Public Oversight, Accounting and Auditing Standards Authority;

a) Turkish Accounting Standards, Turkish Financial Reporting Standards (TMS/TFRS) and their interpretations,

b) Standards and other regulations set by the Authority for different business sizes, sectors and non-profit organizations,

It occurs.

(2) The following are obliged to apply TAS/TFRS and its interpretations:

a) Capital companies in subparagraphs (b) to (e) of the second paragraph of Article 1534.

b) Those who prefer to apply TMS/TFRS and its interpretations.

(3) The persons listed below are obliged to implement the standards and regulations determined according to subparagraph (b) of the first paragraph:

a) Entities that prepare general purpose financial statements for external users such as business owners, lenders and credit rating agencies, other than those specified in subparagraph (a) of the second paragraph and not involved in the management of the business.

b) Businesses that want to return to the SME / TFRS application again among the businesses in the definition of SME that prefer to apply TMS / TFRS.

(4) The Public Oversight, Accounting and Auditing Standards Authority is authorized to determine the exemptions from Turkish Accounting Standards for different business sizes, sectors and non-profit organizations or to make separate arrangements for them.

(5) Turkish Accounting Standards (TMS/TFRS and its interpretations and SME/TFRS) and the principles determined in the conceptual framework are also applied to other provisions of this Law regarding financial statements and reporting.

**PROVISIONAL ARTICLE 2**– (Abolished article)

**PROVISIONAL ARTICLE 3**– (Abolished article)

**PROVISIONAL ARTICLE 4-** (1) Any trading company or cooperative will be subject to the following provisions if they revert to their former types within two years from the date of publication of this Law:

(2) In this case, the provisions of this Law regarding conversion and quorums shall not be applied, and the following quorums shall apply:

a) If the company that will revert to its old type is a general partnership, a limited partnership and a limited partnership whose capital is divided into shares, all decisions regarding the change of type are taken by the majority of all partners.

b) If the company that will revert to its former type is a joint stock company, the board of directors convenes with the majority of all members and the presence of the shareholders or representatives of the shareholders meeting at least fifty percent of the general assembly capital for all decisions regarding the change of type. If this quorum is not reached in the first meeting, the meeting quorum in the second meeting is one third of the capital. In this case, the decisions are taken with the majority of the members present in the board of directors, and in the general assembly, with the majority of the votes present at the meeting.

c) If the company that will revert to its old type is a limited liability company, all decisions regarding the change of type are taken by the majority of the shareholders who own at least fifty percent of the capital.

d) If the company that will revert to its old type is a cooperative, the decisions regarding the change of type are taken by the majority of the existing members at the meeting, provided that at least the majority of the cooperative members are represented in the general assembly.

(3) A veto right in the articles of association, the articles of association or the articles of association or any contract shall not be valid for the conversion decisions to be made in accordance with the provisions of this article. Rights arising from the golden share granted to public institutions are reserved.

(4) Other types of conversion transactions are made in accordance with the Law No. 6762.

**PROVISIONAL ARTICLE 5**– (Abolished article)

**PROVISIONAL ARTICLE 6**-(1) Companies determined by the Public Oversight, Accounting and Auditing Standards Authority are obliged to apply Turkish Accounting Standards in the preparation of their individual and consolidated financial statements for the accounting period that will start on 1/1/2013 or at a later date due to the special accounting period. Regarding the financial statements to be prepared in the transition period, the provisions of the Turkish Accounting Standards are applied.

(2) The auditor stipulated in Article 400 is selected by the authorized body of the companies subject to audit in accordance with the fourth paragraph of Article 397, by 31/3/2013 at the latest. With the election, the duty of the auditor serving in accordance with Law No. 6762 ends. According to the fourth paragraph of Article 397, the duty of auditors of companies that are not subject to audit, working in accordance with Law No. 6762, ends on 31/3/2013. In case the duties of the auditor or auditors who have served in accordance with Law No. 6762 until this date are terminated for any reason, Article 6762 of Law No. 351 shall apply. The balance sheet of the period that will end on 31/12/2012 or at a later date due to the special accounting period is audited by the auditor selected in accordance with the provisions of Law No. 6762. The opening balance sheet dated 6762/1/1 or issued as of a later date due to the special accounting period is audited by the auditor selected in accordance with this Law and in accordance with the provisions of this Law. The auditor selected in accordance with the provisions of this Law carries out his audit in accordance with the provisions of this Law. However, in accordance with the first paragraph of Article 2013 of this Law, the auditor includes in his report the financial statements prepared in accordance with Law No. 402 or other legislation in order to make the necessary comparison with the financial statements of the previous year. General assemblies called by the auditor or auditors whose duties and organ titles have ended in accordance with the provisions of this paragraph in accordance with Law No. 6762 are convened, and if the minority has applied to the auditors whose duties have ended in accordance with Article 6762 of Law No. 6762, that procedure is continued.

(3) The periods spent in audit by independent audit firms selected in accordance with the relevant legislation before the effective date of this paragraph are taken into account in the calculation of the periods specified in the second paragraph of Article 400.

(4) (Abolished clause)

**PROVISIONAL ARTICLE 7**-(1) Liquidation of joint stock and limited liability companies and cooperatives, whose following conditions have been determined or notified until 1/7/2015, and deregistration from the trade registry shall be made in accordance with this article, without complying with the liquidation procedure in the relevant laws.

a) Joint stock companies and limited liability companies that have not increased their capital to the amounts stipulated by the aforementioned Decree-Law in accordance with the Decree-Law on the Amendment of Certain Articles of the Turkish Commercial Code No. 24 and dated 6/1995/559.

b) Joint stock and limited liability companies that were dissolved before the effective date of this Law or until 1/7/2015.

c) Cooperatives dissolved for any reason in accordance with the provisions of the Cooperatives Law.

d) Joint stock companies and cooperatives whose ordinary general assembly meetings for the last five years could not be held without interruption for whatever reason.

e) Companies and cooperatives whose liquidation procedures were started before the effective date of this Law, but whose interim balance sheets or final and final balance sheets could not be submitted to the general assembly due to the general assembly could not be convened, and which could not be withdrawn from the trade registry.

(2) The provisions of this article are not applicable to companies or cooperatives that have pending lawsuits as plaintiff or defendant.

(3) Companies and cooperatives within the scope of this article; It is determined by the relevant trade registry directorate ex officio or by any person, institution or organization through the examination to be made on the trade registry records, including the notifications to be made together with the evidence.

(4) By trade registry directorates;

a) A notice is sent to the persons authorized to represent and bind the company or cooperative according to the last registered addresses and registry records of the companies and cooperatives within the scope of the trade registry. The warning to be made is sent to the Turkish Trade Registry Gazette on the same day to be announced. In cases where the warning is not received, the notice shall replace the notification made in accordance with the provisions of the Notification Law No. 11 dated 2/1959/7201 as of the evening of the thirtieth day from the date of the announcement. In addition, the aforementioned announcement shall be published exactly on the website of the relevant chamber of commerce and industry or the chamber of commerce, industry or maritime commerce, having a declarative nature.

b) In the notice to be made to companies that have been dissolved by not increasing their capital in accordance with the Decree Law No. 559; shareholders, managers or auditors or managers of the liquidator within two months from the date of notification, otherwise, the title will be deleted from the trade registry records in accordance with the provisions of this article, the assets of the company will be transferred to the Treasury ten years after the date of deletion of the title, and it is certain that clearly written.

c) Apart from the companies specified in subparagraph (b) of this paragraph, other dissolved companies and cooperatives within the scope are also requested to submit the proving documents by performing the transactions that eliminate the reason for their dissolution, in case they wish to continue their activities.

(5) a) As a liquidator; Any of the partners of the company or cooperative, the last officials registered in the trade registry or the third parties to be determined by them can be notified. A written statement stating that the partner or managers and third parties notified by another partner or manager as liquidation officer accept this duty is also attached to the notification. The ability of third parties to be registered as liquidators depends on the fact that none of the partners or directors has been declared as liquidator.

b) Upon the notice and announcement made pursuant to the fourth paragraph, the liquidation officers and the liquidation address of the companies and cooperatives that notify the liquidation officers within due time shall be registered by the relevant trade registry directorate and announced in the Turkish Trade Registry Gazette and on the website of the relevant chamber.

c) In this announcement; The creditors of the company or cooperative are invited to notify the liquidators of their receivables, together with their proof, within two months from the date of the announcement. In addition, in the announcement, the list showing the current assets, receivables and debts of the company or cooperative; together with the documents, within one month from the date of announcement, by the board of directors of the joint stock company or cooperative, one or more members of the board, its auditors, and in limited companies, the manager or directors, to the relevant liquidator.

d) Announcement to be made pursuant to this paragraph shall replace the notification made in accordance with the provisions of the Notification Law.

(6) a) Liquidators prepare a balance sheet showing the status of the company or cooperative at the end of the period stipulated for the creditors to notify their receivables and finalize the liquidation within six months. If necessary, an additional time may be granted by the Ministry of Customs and Trade for once, provided that this period is not exceeded.

b) According to the balance sheet prepared by the liquidation officers, in case the debts of the company or the cooperative are more than its existence, the liquidation officers immediately notify the creditors of the situation and request that they apply to the court for the bankruptcy of the company or the cooperative. In the notification, if it is not notified that the company or cooperative has applied to the court for bankruptcy within three months from the date of notification, it is warned that the record will be deleted. Upon the application of the creditors, the court decides to file the bankruptcy and the liquidation is carried out in accordance with the provisions of the Enforcement and Bankruptcy Law. In the event that a court application for the bankruptcy of the company or cooperative is not notified in due time, the title of the relevant company or cooperative is deleted from the trade registry upon the application of the liquidators and this situation is announced in the Turkish Trade Registry Gazette.

(7) The provisions of the relevant laws or articles of association that make it compulsory to take a general assembly resolution shall not be applied in the liquidation proceedings to be carried out in accordance with the provisions of this article.

(8) With the submission of the final and final balance sheet to be prepared by the liquidation officers within the scope of this article to the trade registry directorate, the liquidation is deemed to have ended and the title of the company is deleted from the trade registry and announced in the Turkish Trade Registry Gazette. Upon notification of the completion of the bankruptcy proceedings of the company or cooperative that has been decided to go bankrupt, the title of the company or cooperative is deleted from the trade registry and this situation is announced in the Turkish Trade Registry Gazette.

(9) If the information and documents specified in subparagraph (c) of the fifth paragraph are not given to the liquidators, or if these information and documents cannot be accessed by the liquidators, the situation is notified to the trade registry directorate, the title is deleted without the need for any further action and announced in the Turkish Trade Registry Gazette.

(10) The trade registry of the final and final balance sheet by the liquidator, provided that the general assemblies of companies or cooperatives whose liquidation procedures were initiated before the effective date of this Law, could not convene two times in a row despite being called for meeting in accordance with the minimum period and conditions stipulated by the law, and this situation is proven. The liquidation is deemed to have ended, and the title is deleted from the trade registry and announced in the Turkish Trade Registry Gazette.

(11) Despite the warning and announcement made pursuant to the fourth paragraph, the title of companies and cooperatives that do not respond in due time or do not notify the liquidator or do not bring their status into compliance with the law or do not notify that they are operating together with their address and proofs shall be deleted ex officio from the trade registry. Companies and cooperatives whose titles have been deleted ex officio are announced in the Turkish Trade Registry Gazette on the website of the relevant chamber.

(12) The debts of companies or cooperatives whose titles will be deleted from the trade registry pursuant to subparagraph (b) of the sixth paragraph, the ninth paragraph and the eleventh paragraph shall not prevent the deletion of their titles. However, the legal representatives of joint stock companies and cooperatives, whose registration has been deleted from the trade registry, and the limited liability company partners' responsibilities arising from the public debts before the date of deletion continue within the scope of the Law on the Collection of Public Receivables dated 21/7/1953 and numbered 6183.

(13) Registration and deregistration transactions to be made pursuant to this article are exempt from all kinds of fees, and the papers to be issued for these transactions are exempt from stamp duty.

(14) No fee is charged for the advertisements to be published in the Turkish Trade Registry Gazette within the scope of this article.

(15) In matters not regulated in this article, the procedures stipulated in the relevant laws and articles of association shall be followed. Any assets that may arise from companies or cooperatives whose titles have been deleted without being liquidated in accordance with this article shall be transferred to the Treasury ten years after the date on which the registration regarding the title is deleted. The Treasury is not held responsible for the debts of these companies and cooperatives. Regarding the responsibilities of the liquidators, the provisions of this Law or the Cooperatives Law shall apply, without prejudice to the provisions regarding liability in special laws. The creditors of the company or cooperative whose registration has been deleted from the trade registry and those who have legal interests may apply to the court within five years from the date of deletion based on justified reasons, and request the revival of the company or cooperative.

(16) The Ministry of Customs and Trade is authorized to make regulations regarding the implementation of this article.

**PROVISIONAL ARTICLE 8** -(1) Among the regulated capital companies established before the entry into force of Article 1524, those with a website will dedicate a certain part of their website to the publication of the contents in Article 1524 within three months from the entry into force of the said article, and those who do not have a website will open a website within the same period and It must dedicate a certain part of this site to the publication of the contents in the said article.

**PROVISIONAL ARTICLE 9**-(1) The provisions of this Law regarding duty shall not be applied in cases filed before the effective date of this Law. These lawsuits are subject to the provisions of the Law in force at the time they were filed.

**PROVISIONAL ARTICLE 10** – Termination will not be applied to companies that have not made the capital increases required to be made in accordance with the provisions of the Turkish Commercial Code until 14/2/2014, for any reason, if they meet the minimum capital requirement within three months from the date of publication of this article. If those whose trade registry records have been deleted due to not making a capital increase apply for a capital increase within this period, their records will be recreated ex officio.

**PROVISIONAL ARTICLE 11** – (1) After 31/12/2016, banks cannot give check sheets to check account holders that do not contain the QR code and serial number elements that must be present in accordance with the provision added to Article 780 by this Law. These elements are not required for checks printed before 31/12/2016.

**PROVISIONAL ARTICLE 12-** (1) The provisions of this Law on mediation as a case condition shall not apply to the courts of first instance, regional courts of appeal and the Court of Cassation as of the effective date of these provisions.

**PROVISIONAL ARTICLE 13 -** (1) In capital companies, it may be decided to distribute only up to twenty-five percent of the net profit for the year 30 until 9/2020/2019, previous years' profits and free reserves cannot be subject to distribution, and the general assembly cannot authorize the distribution of advance dividends to the board of directors. The provision of this paragraph shall not apply to companies in which the state, special provincial administrations, municipalities, villages and other public legal entities and more than fifty percent of the public funds own directly or indirectly more than fifty percent of the capital. The President is authorized to extend or shorten the period specified in this paragraph for three months. (1)

(2) If the General Assembly has decided to distribute dividends for the fiscal year 2019, but the shareholders have not yet been paid or partial payments, the payments for the portion exceeding twenty-five percent of the net profit for 2019 will be postponed until the end of the period specified in the first paragraph.

(3) The Ministry of Commerce is authorized to determine the exceptions regarding capital companies within the scope of this article, as well as the procedures and principles regarding implementation, by obtaining the opinion of the Ministry of Treasury and Finance.

**Force**

**ARTICLE 1534**-(1)This Law, the side headings of which are included in the text, was published on 1/7/2012; comes into force. Article 1524 shall enter into force one year from the date of entry into force of this Law. The provisions of the Law on the Enforcement and Application of the Turkish Commercial Code are reserved.

(2) The following provisions shall apply to the enforcement of the provisions of this Law regarding Turkish Accounting Standards. This Law;

a) (Repealed paragraph)

b) Companies, brokerage houses, portfolio management companies and other businesses included in the scope of consolidation, whose capital market instruments are traded on the stock exchange or in another organized market in accordance with the Capital Market Law,

c) Banks and their subsidiaries defined in Article 3 of the Banking Law,

d) Insurance and reinsurance companies defined in the Insurance Law No. 3 dated 6/2007/5684,

e) It enters into force on 28/3/2001 for pension companies defined in the Private Pension Savings and Investment System Law No. 4632 dated 1/1/2013.

(3) Special Turkish Accounting Standards published and to be published for real and legal person traders of all sizes other than those listed in the second paragraph of this article shall enter into force on 1/1/2013.

(4) Articles 397 to 406 of this Law regarding the auditing of joint stock companies come into force on 1/1/2013.

(5) The second, third and fourth sentences of the second paragraph of Article 39 shall enter into force on 1/1/2014.

**Executive**

**ARTICLE 1535**-(1) The provisions of this Law are executed by the Council of Ministers.