

1.)The result of the tax amnesty (see: previous newsletter)

Source: Hurriyet Daily News 6 juni 2011

Turkish tax amnesty generates \$36.5 billion

Thursday, June 2, 2011

BATMAN/ANKARA - Anatolia News Agency

Proceeds from a sweeping tax amnesty reached 58.3 billion Turkish Liras as of a May 31 deadline for applications, according to Turkish Finance Minister Mehmet Şimşek.

Şimşek said the tax amnesty was the most comprehensive one ever in the country, even encompassing university fees and overdue utility bills. The amnesty covered overdue taxes worth 36.5 billion liras, as well as unpaid social security premiums worth 21.8 billion liras, he said.

The figures came well above initial estimates of a total of 41.6 billion liras.

Şimşek said over 5.1 million defaulters applied for the amnesty, which allowed defaulters to pay overdue debts at a minimal interest rate in installments over a three-year period.

This latest amnesty also forgives the penalties that have accumulated.

Şimşek said the government planned to spend a large part of the amnesty revenues to reduce public debt stock.

"The last application for amnesty came minutes before midnight on May 31," he added.

2.)Leasing Regulation in Turkey

Source:

http://www.fider.org.tr/wswFiles/document/document_195/Leasing%20Regulation%20c4%b1n%20Turkey.pdf

(*)Hakan Gülelçe (Secretary General)

Leasing Regulation in Turkey

Law on Financial Leasing: The Law no..3226 on Financial Leasing (referred to hereunder as the "Law"), regulating Financial Leasing operations entered into force on 28.6.1985. This law regulates only financial leasing. It does not include any provision regarding operational leasing. Article 10 of the Law regulates the legal structure of leasing firms. As indicated in article 10, leasing firms can be created only as joint stock companies and before their establishment; authorization of the BRSA is required. As stipulated by article 10 of the Law, it is forbidden to engage in Financial leasing activities without authorization and there are penal sanctions to this effect. Participation, development and investment banks can engage in financial leasing activities, by virtue of article 4 of the Banking Law nr. 5411. As the minimum capital requirement of TRY 1,000, indicated in article 11 of the Law is actually very low, this provision does not apply effectively. In the current application, financial leasing firms to be established actually must have a minimum capital of TRY 5,000,000 (approximately USD 4,000,000). Financial leasing firms cannot engage in activities other than financial leasing, by virtue of article 22 of the Regulation published by the BRSA on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing firms. As indicated in the Law, contracts must be made in notaries. Contracts related with immovable properties are annotated at the notary in the lessee's

place of residence, on a special register, title deed register for contracts related with immovables, and ship register for contracts related with ships (although it is not mentioned in the Law, contracts related with ships will be registered to aircraft register). Contracts cannot be terminated before minimum 4 years.

This period can be reduced to two years for commodities determined by the BRSA. The list of goods for which contract periods can be of two years is available on the BRSA and Fider's websites. In summary, contracts for vehicles (passenger cars with engine capacity of 1600 cc and below), air and sea transport vehicles, medical devices, Office equipment, construction equipment, agricultural machines can be entered into for 2 years' periods. As a result of the amendment made on 6.3.2007 on article 15 of the Financial Leasing Law, provided that the authorization of the Financial leasing firm is obtained, the lessee can transfer to a third person its capacity as lessee, or provided that there is provision in the contract, the lessee can allow third persons use the good subject of the leasing, in other words can make sub-leasing. For financial leasing contracts regarding houses, there is no obligation for the presence of a provision in the contract to enable the lessee lease the house to a third person, the lessee has the obligation to inform the leasing firm.

Operational Leasing: As indicated above, there is not specific law regulating operational leasing. Firms engaged in operational leasing are operating, subject to the provisions of general law. Operational leasing is not in the field of activity of financial leasing firms.

3.)The new T.C.C. (legal) persons

Source: PwC Turkey

New Turkish Commercial Code

1- What are the main changes introduced regarding the establishment of joint stock companies?

The new Turkish Commercial Code (the "New TCC"), which will be effective from 1 July 2012, has abolished the mechanism of gradual formation, which exists in the current legislation, but is never applied. In addition, the New TCC allows the establishment of the joint stock companies ("A.Ş.") or the limited liability companies ("L.Ş.") with a single shareholder or partner, respectively.

As a requirement for protection of the company and its capital, the obligation for the declaration of founder has been introduced to ensure transparency. If capital contribution is made in-kind, or if capital in-kind or an enterprise is taken over, the founder's declaration must include documents including justified and precisely stated explanations regarding the appropriateness of the values of the shares to be given to the founders in return for capital, and the benefits of this kind of capital or takeover to the company. In addition, benefits granted to the founders, if any, are to be explained in the declaration together with the underlying justification.

Another change introduced by the New TCC, regarding the establishment of the A.Ş., is concerned with the supervision mechanism. Within this context, one of the conditions introduced during the incorporation of A.Ş. is concerned with the receipt of a report from the special auditor appointed for the audit of the incorporation.

Regarding the establishment of a public offering company, the New TCC has introduced a system that is simple, straightforward, easily applicable and original. The real person or the Legal entity that provides a commitment to offer its shares to the public, only has to provide the commitment, and will not be obligated to invest one-quarter of the value of shares. These shares can be offered to the

public at the value of the said commitment, or at a premium, and the portion of the cash derived from the public corresponding to the nominal value of the shares is paid to the company, with the outstanding difference belonging to the party who has made the commitment. Shares left unpurchased shall belong to the party who made the commitment. The party who has made the commitment is obliged to pay one-quarter of this total immediately. The public offering procedure is applied in conformity with the regulations of the Capital Markets Board ("CMB").