

GEDİK & ERAKSOY

6 December 2016

The Communiqué on Execution of Articles of Associations before Trade Registry Offices entered into force as of 6 December 2016.

The Law No. 6718, which was promulgated back in August 2016, brought into a number of legislative changes that are aimed at improving the investment environment in Turkey. These changes included introduction of simplified and less costly procedures for company incorporations. Accordingly, on 6 December 2016, the Ministry of Customs and Trade published the Communiqué on Execution of Articles of Associations (AoA) before Trade Registry Offices (the Communiqué), which relates to the changes to the Turkish Commercial Code No. 6102 (“TCC”) made by the Law No. 6718 that now allow company founders to execute AoAs not only before Notaries Public but also before trade registry offices.

The Communiqué sets out principles and procedures on execution of AoAs and signature specimens of authorised signatories before trade registry offices as part of the company incorporation procedures.

According to the Communiqué, AoAs must be prepared in electronic form via the Central Registration System (*MERSİS*) and founders or their legal representatives must apply to the relevant trade registry office. If the application is made by the founders in person, appropriate ID cards, driving licenses or passports (in the case of non-Turkish citizens) must be submitted. Also, representatives acting on behalf of founders must submit documentary evidence with respect to authorizations granted by founders in relation to execution of AoAs.

Trade registry officials are obliged to verify the authenticity of the documentary evidence submitted and conduct relevant online checks as appropriate. If trade registry officials have any suspicion with respect to mental capacity of founders or their representatives due to elderliness, disease or appearance, they may reject the application.

Following the verification process, AoA is printed off from the Central Registry System and signed by founders or their representatives under the supervision of the trade registry official. Once founders and trade registry official affix their signatures on each page of the AoA, the trade registry official approves the AoA by stamping the signature acknowledgement certificate. While founders may promptly proceed with the remaining incorporation procedures and make a registration application, such application can also be made at a later stage but in any event by no later than three months of the execution of the AoA.

The Communiqué also limits the service fees that can be levied by the trade registries for the relevant incorporation services with an amount equal to 10% of the minimum wage. Also, trade registry offices will be able to levy only a single fee for different services provided in that respect regardless of such services are provided jointly or separately.

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