



RESPONSIBILITY ARISING FROM THE LAWYER'S REPORT IN PUBLIC OFFERINGS

Pursuant to the Capital Markets Law No. 6362 (“**Law No. 6362**”), the ability to offer capital market instruments to the public or to be traded on the stock exchange is subject to the complete fulfillment of the legally obligatory procedures and principles. Law No. 6362 and the relevant capital market legislation have determined in detail the mandatory information and documents and the procedures and principles to be followed. The aforementioned information and documents play an essential role in making investment preferences and decisions by obtaining complete, accurate and up-to-date information about the capital market instruments offered to the public and the issuers. In this respect, the information contained in all public disclosure documents, especially the prospectus, must be accurate, complete and not misleading.

Accordingly, the responsibility arising from the public disclosure documents, including the prospectus, has been regulated in detail under the Law No. 6362. In the 32nd article of the Law No. 6362, responsibility arising from the losses that may arise before the investors due to the fact that the information does not reflect the truth in the general public disclosure documents and responsibility specific to the prospectus is regulated in the 10th article. There is no direct reference to the lawyer's report in the aforementioned articles of the Law No. 6362 and among the documents. The lawyer's report has been prepared under the Borsa İstanbul Anonim Şirketi Listing Directive (“**Listing Directive**”), which is a secondary regulation of the Law No. 6362.

Within the scope of this information note, it has been tried to determine the legal framework of the responsibility arising from the lawyer's report by evaluating whether the lawyer's report is a part of the prospectus or a report used as a basis in prospectus. Considering the necessity of a lawyer's report to be prepared by a lawyer, it may be thought that the attorney's responsibility may need to be examined in terms of the Attorneyship Law No. 1136. However, in this information note, the responsibility of the lawyer to the client in terms of the Attorneyship Law No. 1136 has not been examined, and the responsibility of those who prepared the lawyer's report to the investors has been examined.

A summary of the issues explained in this information note is given below under the Executive Summary heading.

EXECUTIVE SUMMARY

1. The lawyer's report prepared by an independent lawyer is regulated in the Listing Directive, which is one of the secondary legislation put into effect based on the Law No. 6362. On the other hand, the concepts of "lawyer's report", "those who prepare lawyer's report" or "independent lawyer" are not explicitly mentioned in Law No. 6362.

2. In accordance with the Article 6 of the said directive, those who prepare the lawyer's report are responsible for any errors or omissions in the information and documents contained in the lawyer's report, which must be submitted to the Exchange in order for the shares to be offered to the public within the scope of the Listing Directive, according to their faults and the requirements of the situation.

3. (I) That the legal expert's report is submitted to the Exchange as an annex to the prospectus in accordance with the Listing Directive, while the independent lawyer accepts and undertakes that he knows that the lawyer's report will be published as a part of the prospectus for the capital market instrument, (ii) that the legal expert's report, which is attached to the prospectus published to the public, is a report used as a basis in the prospectus, considering the fact that a significant part of the determinations in the lawyer's report are included in the prospectus,, (iii) that the title of the independent lawyer is also referred to in the prospectus, and (iv) that the prospectus is a whole with its annexes, we evaluate that the lawyer's report is also an essential and complementary part of the prospectus.

4. In terms of responsibility arising from the prospectus, which is also a public disclosure document, article 10 of the Law No. 6362 will be applied first, and for matters not regulated in this article, article 32, which is the general provision regarding public disclosure documents will be applied.

5. Persons and institutions that prepare reports such as independent audit, rating and appraisal reports prepared to be included in the prospectus in paragraph 2 of Article 10 are also held responsible within the framework of the provisions of Law No. 6362 for inaccurate, misleading and incomplete information in the reports they prepare. Although the lawyer's report is not clearly stated in the aforementioned paragraph, the lawyer's report is considered to be one of the base reports. In the aforementioned paragraph, "...be responsible in the framework of the provisions of this Law.", regarding the nature of the responsibility, it is evaluated that the responsibility provision in Article 63 of the Law No. 6362 will be applied for the independent audit, rating and appraisal institutions, and he Article 6 of the Listing Directive will be applied for those who prepare the lawyer's report.

6. Based on the provision in Articles 10/2 and 32/2 of the Law, "...responsible in the framework of the provisions of this Law", it is considered that the 4th paragraph of the 32nd article of the Law No. 6362, which has a provision on the presumption of causal link, and the 6th paragraph that regulates the statute of limitations, will be applicable to the independent audit, rating and appraisal institutions and those who prepare the lawyer's report.

1. LAWYER'S REPORT

1.1 Legal Basis of the Lawyer's Report

Within the scope of the public offering process, in addition to the application to be made to the Capital Markets Board ("**Board**") to issue capital market instruments, Borsa İstanbul A.Ş. ("**Borsa İstanbul**"), an application for listing is made. A lawyer's report prepared by an independent lawyer at the stage of the stock market listing application must also be submitted to Borsa İstanbul. The lawyer's report is not a report defined or specified in the Law No. 6362. The regulation in which the lawyer's report is specified by name is the Listing Directive.

Listing Directive is a sub-arrangement of Law No. 6362. . Listing Directive has been prepared based on the 14th, 15th, 16th, 17th, 18th and 19th articles of Borsa İstanbul A.Ş. Regulation on Principles Relating Stock Exchange Activities ("**Regulation on Exchange Activities**"), which is published in the Official Gazette dated 19.10.2014 and numbered 29150. The Regulation on Exchange Activities was enacted on the basis of Article 67 of the Law No. 6362, titled "*Principles Regarding Exchange Activities*".

1.2 General Scope of the Lawyer's Report

The principles regarding the listing application are regulated in the Listing Directive. Pursuant to Articles 7 and 8 of the Listing Directive, a lawyer's report must be issued by a lawyer who has no direct or indirect relationship with the partnership. Within the scope of the lawyer's report, in accordance with the 5th paragraph of the 7th article of the Listing Directive, the conditions that the members of the Board of Directors of the issuer, the general manager and the partners holding the management control;

- have not been condemned of crimes in the capital market legislation,
- have not been condemned of crimes in the Banking Law No. 5411 dated 19/10/2005,
- have not been condemned of certain crimes in the Turkish Criminal Code No. 5237 dated 26/9/2004, and also
- have not been sentenced to imprisonment for five years or more due to malicious misconduct even if the periods specified in Article 53 of the Turkish Criminal Code have passed.

must be documented.

Again, within the scope of the lawyer's report, in the applications to be made for the first listing of the shares pursuant to the provision of 8/1 of the Listing Directive, (I) the application must be made for the whole amount of capital of the relevant corporation, (ii) the corporation must not be subjected to significant legal disputes that may affect the production and activities of the partnership, and (iii) it must have been documented that the legal situation of the corporation in terms of its establishment and business operations and the legal situation of its shares are in compliance with the applicable laws and regulations

In addition, in the lawyer's report;

- the list of legislation to which the partnership/issuer is subject,
- whether there are documents, permit, authorization, license, etc. required by the partnership/issuer to carry out its activities.
- Whether the decisions of the partnership/issuer's Board of Directors and the General Assembly are taken in accordance with the meeting and decision quorums within the scope of the Turkish Commercial Code,

- the list of legal disputes that may affect the activities of the partnership/issuer and the current and potential impact on the activities of the partnership/issuer in case these legal disputes are concluded against the partner/issuer,
- assets registered in the assets of the partnership/issuer and restrictions on these assets (collateral, pledge, mortgage, etc.),
- important articles of the contracts signed for the execution of the activities,
- contracts signed with financial institutions

is being examined. According to the Listing Directive, the documents that need to be examined by an independent lawyer should not be contented with only the information and documents submitted by the partnership/issuer, but also other information and documents should be examined regarding the legal status of the activities. In practice, the lawyer's report is prepared based on the information, documents and documents submitted by the issuing company, and a statement is received from the issuer company regarding the up-to-dateness and accuracy of the relevant documents.

1.3 Arrangement of Listing Directive Regarding Lawyer's Report Responsibility

Upon Article 6 of the Listing Directive Issuer or fund founder, public issuers, investment firm mediating the issuance, consortium leader or co-leaders in issuances mediated by more than one investment institution, if any guarantor and independent auditor, appraisal and rating institutions and **those who prepare the lawyer's report are held responsible and liable depending on their faults and on the requirement of the case**. While the responsibility of those who prepare the lawyer's report is clearly regulated in Article 6 of the Listing Directive, the lawyer's report or those who prepare the lawyer's report are not clearly specified in the Law No. 6362. Detailed information on the subject is given in sections 2.2 and 2.3 of this information note.

1.4 Arrangement of the Lawyer's Report as an Attachment to the Prospectus

It is accepted and committed that it is known that the lawyer's report will be published as a part of the prospectus for the capital market instrument in the declaration letter that must be submitted by the independent lawyer according to Annex 4 of the Listing Directive Application Documents. Borsa İstanbul also prepares an opinion letter as a result of its examination within the scope of the application and submits the prospectus to the Capital Markets Board together with the lawyer's report. In this letter, which Borsa İstanbul forwarded to the Capital Market Boards, it states that the lawyer's report should be included in the appendix to the prospectus, and in this context, the lawyer's report becomes an appendix to the prospectus. In practice, it is seen that the lawyer's report is added to the prospectus in the prospectuses announced to the public.

It is important whether the responsibility arising from the lawyer's report will be included in the provisions regarding the responsibility within the scope of the Law No. 6362, apart from the provisions regarding the responsibility specified in the Listing Directive. The responsibilities arising from public disclosure documents and prospectus in Law No. 6362 are basically regulated in Articles 32 and 10 of Law No. 6362. In practice, the position of the lawyer's report submitted within the scope of the appendix to the prospectus within the scope of Article 10, in which the responsibility for the prospectus is specifically regulated, has been evaluated in section 2.3 of this information note.

2. PROSPECTUS AND REPORT OF THE LAWYER

2.1. General Information about the Prospectus

The prospectuses, which are a public disclosure document and can be considered the most important document of the public offering process, are defined as public disclosure document which includes all information with respect to the financial status, performance, prospects, and operations of the issuer and guarantor, if any, or the characteristics of capital market instruments to be issued or traded on the exchange and the rights and risks associated with them in order to enable investors to make an informed assessment.

In Article 4 of the Law No. 6362, it is regulated that the names and duties of the persons responsible for the prospectus and the titles, headquarters and contact information of the legal entities must be clearly indicated in the prospectus.

In Article 5, it is stipulated that the procedures and principles regarding the minimum information required to be included in the prospectus and the documents constituting the prospectus shall be determined by the Board:

According to the type and characteristics of the issuer and the capital market instruments to be offered to public or be traded on the exchange, the Board determines the procedures and principles regarding the minimum information that has to be included in prospectus, the guarantor and the nature of the guaranty, documents forming the prospectus, the form of the prospectus, its disclosure to public, its publication, announcement and advertisements, making references in the prospectus to information previously published, the sale conditions, amendments in the approved prospectus and total or partial exemption from preparing and publishing prospectus.

2.2. Is the Lawyer's Report Part of the Prospectus?

As stated earlier, in practice, the lawyer's report is submitted in addition to the prospectus during the listing application. It is necessary to evaluate whether the submission of the lawyer's report as an appendix to the prospectus makes it a part of the prospectus. In this context, the subject has been examined in the context of Law No. 6362 and its sub-regulations.

2.2.1. Implied Reference to the Lawyer's Report in Paragraph 2 of Article 10 of Law No. 6362

In the second paragraph of Article 10 of the Law No. 6362 titled "*Persons Responsible from the Prospectus*", which is explained in detail in section 2.3 of this information note, it is stated that individuals and institutions such as independent audit, rating and appraisal institutions that prepare the reports prepared to be included in the prospectus shall be responsible for inaccurate, misleading and incomplete information in the reports they prepare. From the word "like" in the aforementioned paragraph, it is understood that the scope of the provision is not limited to independent audit, rating and appraisal institutions. In practice, the lawyer's report is included both in the appendix to the prospectus and the information in the lawyer's report is included in the main text of the prospectus as information that will affect the decisions of the investors. Considering the content of this provision, it can be evaluated that the report of the lawyer is a report prepared to be included in the prospectus.

2.2.2. According to the Communiqué on Prospectus and Issue Document, the Prospectus should be a whole with its annexes

Based on the 5th article of the Law No. 6362 on the procedures and principles regarding the minimum information required to be included in the prospectus and the documents constituting the prospectus, the Board has issued the Prospectus and Issue Document Communiqué No. II-5.1 (“Communiqué”). **According to the second paragraph of the 22nd article of the Communiqué, the prospectus is a whole with its annexes.** Although there is no clear regulation on what the prospectus annexes should be; in practice, documents such as the issuer’s articles of association, independent audit reports, independent auditor responsibility statements, detailed information about group companies, appraisal reports and a lawyer’s report are published as annexes to the prospectuses. From the regulations in the Listing Directive, it is concluded that the lawyer’s report will be submitted to the Exchange as an annex to the prospectus.

In the first paragraph of Article 7 of the Communiqué, it is regulated that;

“The prospectus and all information contained in the prospectus must be prepared in adequate details for provision of all information about the issuer and if any, the public offerer and the issue, as envisaged by the applicable laws and as required by the Board, and must be complete, current and in conformity with standards determined by the Board, and must be formulated in such manner to be easily analyzed, understood and assessed by investors, and must also contain additional information that may be requested by the Board at the time of application to the Board for its approval, and all information and statements included therein must, if required, be relied upon documents.”

In this context, various text formats and user manuals have been issued by the Board. One of them is “Guide on Prospectus Format and Preparation, Consisting of a Single Document to be Used in Public Offering of Shares” (“**Prospectus Preparation Guide**”). Prospects must be prepared in accordance with the guidelines and instructions detailed in the Prospectus Preparation Guide.

2.2.3. Implicit Reference to the Lawyer's Report in the Prospectus Preparation Guide

In the Prospectus Preparation Guide, information is given about which headings to use in the prospectuses and the details of the content to be specified in these headings. The Appendix section is included in the 35th heading of the Prospectus Preparation Guide. However, only *“Additional documents will be specified”* in the description of heading 35. It is not specified which documents or reports will be included in the prospectus. On the other hand, within the scope of the provisions of the Listing Directive, which is a secondary regulation of the Law No. 6362, it is seen that the lawyer’s report is included in the appendices of the prospectuses published in practice. In this context, it can be considered that the lawyer’s report constitutes an annex to the prospectus.

In addition, according to the Prospectus Preparation Guide, part 30 of the prospectus is titled *“Expert Reports and Information Received from Third Parties”*.

In section no. 30.1;

“Information on the persons who provide consultancy services to the issuer during the public offering process and on which subjects they provide consultancy services will be included.”

In section no. 30.2, the explanations below are included:

“In case the information provided from third parties is included in the prospectus, it must be declared that there is no defect that would render the disclosed information false or misleading, as far as the information is received exactly, the partnership is aware of, or the information published by the relevant third party can be deduced. In addition, the source of the information should be specified.

If a description or report of a person qualified as an expert is included in the prospectus, information about this expert's name, business address, qualifications and, if any, his interest in the partnership will be included in the section where the aforementioned explanations or report is mentioned. In addition, if the report is prepared upon the request of the issuer, information regarding the consent of the person concerned will be included in the publication of the report.”

In the aforementioned articles, it is stated that the issuer should include information about the people from whom he receives consultancy services in the prospectus. An independent lawyer also provides legal advice to the issuer during the preparation process of the prospectus, prepares the lawyer's report published in the appendix of the prospectus, and a significant part of the determinations in the lawyer's report are included in the prospectus. In practice, the title of those who provided consultancy services to the issuer during the public offering process and the type of consultancy service are given in the section no. 30.1. Again in practice, in the sub-title of "lawyer's report" in section no. 30.2, it is stated the name/title, address, contact information of the independent lawyer, the information that the lawyer's report is given in the Appendix, and that *“the independent lawyer has consented for the disclosure of the prepared lawyer's report to the public within the scope of the prospectus”* statement is included.

2.2.4. Including the Determinations in the Lawyer's Report in the Prospectus

Most of the determinations made by the independent lawyer are included in the prospectus as determination and information. In this manner,

- *Information on restrictions on tangible assets, real rights and mortgage amounts,*
- *All kinds of information about the limitations on the use of funding resources (litigation, agreements, important disputes, guarantees, pledges, mortgages, etc.) that have directly or indirectly affected or may significantly affect the activities of the issuer,*
- *In the last 5 years, even if the periods specified in the capital market legislation, the Banking Law No. 5411 and/or Article 53 of the Turkish Criminal Code have elapsed regarding the relevant persons taken from the members of the issuer's board of directors and the personnel authorized in the management; five years or more in prison for an intentional offense or embezzlement, extortion, bribery, theft, fraud, forgery, breach of trust, fraudulent bankruptcy, bid rigging, destruction or alteration of data, misuse of debit or credit cards Information on criminal prosecution and/or conviction for smuggling, tax evasion or wrongful acquisition of property, and whether there are legal disputes and/or finalized judgments in relation to partnership affairs,*
- *Information about the lawsuits/criminal announcements and sanctions announced to the public by the judicial authorities, public administrations or professional organizations regarding the current members of the issuer's board of directors and the personnel who have a say in the management, in the last 5 years,*

- *Summary of significant contracts other than contracts signed for the conduct of ordinary commercial activities to which the issuer or a company in its group is a party in the two years preceding the prospectus date,*
- *Cases and proceedings to which the issuer is a party,*
- *Information on whether there are any records on the shares to be offered to the public that restrict the transfer and circulation of the shares or prevent the shareholder from exercising his/her rights.*

are examples of the information contained in the prospectus and prepared by an independent lawyer. As a result, it is possible to evaluate the lawyer's report as a part of the prospectus taking into account of the issues such as the reference to the lawyer's report in the main text of the prospectus, the determinations in the lawyer's report constituting a part of the essential information in the prospectus, and the article 22/2 of the Communiqué.

2.2.5. Hesitation that may arise from the Statement of Responsibility Section in the Prospectus and General Evaluation on Whether the Lawyer's Report Is a Part of the Prospectus

According to the third paragraph of the 4th article of the Law No. 6362, the names and duties of the real persons responsible for the prospectus and the titles, headquarters and contact information of the legal persons must be clearly stated in the prospectus. In the 1st part of the Prospectus Preparation Guide titled "*Persons Who Take the Responsibility of the Prospectus*", authorized person of the organization that prepared the relevant audit, rating and appraisal reports must sign a statement as follows:

"We declare that the information contained in this report, which is a part of the prospectus, is true to the best of our knowledge, and that every reasonable care has been taken to ensure that there is no defect that would alter the meaning of this information."

. In the footnote, it is stated that expert institutions other than audit, rating and appraisal companies shall also make a statement as the following: "*In case the expert organization report, which is the source of the information in the prospectus, is prepared by a different organization than these organizations, the table will be adapted accordingly.*" However, although the independent lawyer is such an expert institution, the signed statements of the independent lawyer were not found in the 1st part of the prospectuses disclosed to the public. The absence of the signature and statement of the independent lawyer in the 1st part of the prospectus may create hesitation that the independent lawyer is not responsible for the prospectus within the scope of Article 4 of the Law. However, (i) the independent lawyer's acceptance and commitment that he knows that the lawyer's report will be published as a part of the prospectus, (ii) the submission of the lawyer's report in the appendix to the prospectus, (iii) the reference to the independent lawyer who received legal advice in the prospectus, and (iv) the determinations in the lawyer's report constituting a part of the essential information in the main text of the prospectus and (v) that these determinations and information are taken into account in the investment decision, it is considered that holding the independent lawyer responsible for the prospectus regarding the determinations in the lawyer's report would comply with the main purpose of the Law No. 6362, namely the protection of the investor.

2.3. Responsibility arising from the prospectus

In terms of responsibility arising from the prospectus, article 10 of the Law No. 6362 titled "Persons Responsible from the Prospectus" will be applied, and article 32 titled "Responsibility arising from Public Disclosure Documents" will be applied for matters not regulated in Article 10. In accordance with the 1st paragraph of Article 10 of the Law No. 6362, *issuers are responsible for the losses arising from the inaccurate, misleading and incomplete information included in the prospectus. In case when the loss cannot be compensated by the related persons or when it is clear that the loss cannot be compensated, those who act as public offeror, the leader intermediary institution which act as intermediary during the issue, the guarantor if any, and the members of the board of directors of the issuer are responsible to the extent of their fault and to the extent the losses can be attributed to them according to the necessities of the situation.*

In this context, a gradual responsibility system has been adopted regarding the prospectus. It is clear that the issuers will be primarily responsible for the losses arising from the inaccurate, misleading and incomplete information in the prospectus, but in case the loss cannot be compensated or it is understood explicitly that the loss will not be compensated from the said persons, other persons and institutions mentioned in the relevant provision will be responsible for the losses. Even though it is not clearly stated in the aforementioned provision, since fault is sought for the persons in the second sentence of the mentioned paragraph, but the condition of fault is not mentioned for the issuers, and the reason of the article is to introduce a regulation in parallel with the liability clause in the Turkish Commercial Code no. 6102, issuers will be strictly liable. In its decision dated 06.03.2013 and numbered 2012/800 and Decision 2013/322, the Court of Cassation has also ruled that if there is no explicit provision in the text of the law regarding the liability of fault, this issue alone can be held strictly responsible. On the other hand, differentiated successive liability will apply to persons other than the issuer.

In the second paragraph of Article 10 of the Law No. 6362, it is stated that:

"Persons and institutions such as independent audit, rating and appraisal firms preparing the reports that are included in the prospectus shall also be responsible in the framework of the provisions of this Law due to the inaccurate, misleading and incomplete information included in the reports they have prepared."

The provision of gradual responsibility specified in paragraph 1 of Article 10 is not included in paragraph 2. It is considered that those who prepare the independent audit, rating and appraisal reports and those who prepare the lawyer's report according to our previous determinations and evaluations will be responsible to the investors for the inaccurate, misleading and incomplete information in the reports they prepare in addition to the prospectus. In the aforementioned paragraph, it is stated that "...responsible in the framework of the provisions of this Law". Since the prospectus is also a public disclosure document, article 32 will be applied in cases where there is no provision in article 10 about prospectuses. Since the reports prepared by independent audit, rating and appraisal institutions are also the reports as the basis of the prospectus and they are a whole with the prospectus, article 32 will find application to the extent that they comply with their qualifications. However, Article 63 of the Law No. 6362, which is more specific regarding the nature of the responsibilities of independent audit, rating and appraisal institutions, will apply. According to the aforementioned article, independent audit firms and rating and appraisal institutions are responsible for the damages they cause due to inaccurate, misleading and incomplete information contained in the reports they prepare as a result of their activities.

There is no special provision such as Article 63 of the Law No. 6362 regarding the nature of the responsibilities of those who prepare the lawyer's report. According to Article 2 of the Law No. 6362, the secondary legislation of the Law No. 6362 is also within the scope of the law. In this context, the special provision regarding the responsibility of those who prepare the lawyer's report is included in Article 6 of the Listing Directive, which is the secondary legislation of the Law No. 6362. As a result, it is considered that the provision of "responsible in the framework of the provisions of this Law" in the 2nd paragraph of the 2nd article of the Law No. 6362 should be understood within the framework of the Listing Directive for those who prepare the lawyer's report. In the Listing Directive (as explained in section 1.3 of this information note), those who prepare the lawyer's report are responsible according to their faults and on the requirements of the case.

2.4 Situations in which the Provisions Regarding the Public Disclosure Documents are Applied to Those Who Prepared the Reports as a Basis in the Prospectus

Since the prospectus is a public disclosure document, the provisions of Article 32 will be applicable in cases where there is no provision about the prospectus in Article 10 and other articles of Law No. 6362 (including secondary legislation). As stated in section 2.3, article 63 for independent audit, rating and appraisal institutions and article 6 of the Listing Directive is applicable for those who prepare the lawyer's report regarding "fault". On the other hand, the relevant paragraphs in Article 32 of the Law will be applied on issues such as "causal link" and "statute of limitations", which are not regulated in the aforementioned articles about independent audit, rating and appraisal institutions and those who prepare the lawyer's report. Before specifying which articles will be applied, it is useful to explain how article 32 is regulated.

In the first paragraph of article 32, what can be a public disclosure document is listed without limitation and it is stipulated that those who sign these documents or the legal entities signed on their behalf will be jointly liable:

"In the framework of Article 10, the persons who are indicated as being responsible in the same article as well as those who sign or legal entities on behalf of which miscellaneous public disclosure documents that are foreseen by the Board pursuant to the legislation to be prepared with the purpose of public disclosure such as prospectus, information form prepared in takeover bids, material events disclosure, announcement texts to be prepared in merger and division proceedings, disclosure of the admission to trading on the exchange and financial reports are signed shall be jointly liable for the damages resulting from inaccurate, misleading or incomplete information contained in these documents."

In this article, it is seen that the prospectus is counted as one of the public disclosure documents. In the second paragraph of Article 32, a provision similar to the second paragraph of Article 10 has been introduced:

"Persons and institutions such as independent audit, rating and appraisal firms who prepare reports to be included or used as basis in public disclosure documents shall also be responsible in the framework of the provisions of this Law."

It is necessary to evaluate the provision in the second paragraph of Article 32 as reports prepared as a basis for other public disclosure documents other than the prospectus. Because the responsibility for the reports prepared as a basis for the prospectus is specifically regulated in the second paragraph of Article 10. Since the lawyer's report is also a type of report prepared only within the scope of the prospectus, it is evaluated within the scope of the 2nd paragraph of the 10th article, while the 2nd paragraph of the 32nd article will not find an application area

for the lawyer's report. Within the scope of paragraph 2 of article 32, article 63 will again be applied regarding the nature of the responsibility of independent audit, rating and appraisal institutions.

On the other hand, a report other than the lawyer's report, which is the main subject of this information note and specified within the scope of the Listing Directive, may be prepared by an independent lawyer and this report may constitute a basis for a public disclosure document. In the event that a public disclosure document is published by the issuer based on such a report other than the lawyer's report, the lawyer who prepared this report may be responsible within the scope of paragraph 2 of Article 32, since this statement is used as a basis for the public disclosure document. However, since this base report is not technically a "lawyer's report", responsibility will not be considered within the scope of the Listing Directive.

According to paragraph 3 of article 32, persons who prove that they do not have knowledge about the inaccuracy, misleading or incomplete information in the public disclosure documents and that this lack of information is not due to their intention or gross negligence shall not be responsible. Thus, with this arrangement, the investor will not have to prove that the other party is at fault, the other party will have to prove that he is not at fault. The fault mentioned here is intent and gross negligence. No responsibility will arise in case of slight negligence. 3rd paragraph of article 32 shall be applied to persons specified in paragraph 1 of article 32. As explained in the previous two paragraphs, paragraph 3 of article 32 shall not be applied to those who prepare the independent audit, rating, appraisal and legal expert reports included in the prospectus and public disclosure documents or prepared as a basis for these documents.

According to paragraph 4 of article 32, during the validity period of the prospectus containing inaccurate, misleading or incomplete information; and immediately after the disclosure of the other public disclosure documents to public, in the event that a loss arises in the assets of investors upon the sale or purchase on the exchange of capital market instruments, purchased at the initial public offer or purchased or sold on exchange immediately after the date when the information consistent with the reality has arisen, a causal link shall be deemed as established between the public disclosure documents and the loss, in regards of the compensation requests to be asserted according to this Article. In this context, if the conditions in the aforementioned provision are met, the investor will not have to prove that there is a causal link between the loss and the prospectus. In the 6th paragraph of Article 32, there is a regulation regarding the statute of limitations. Both clauses will also apply to those who prepare the independent audit, rating, appraisal reports and the lawyer's report.

3. CONCLUSION

The lawyer's report prepared by an independent lawyer is considered to be a part of the prospectus due to the following issues:

- Submitting the lawyer's report to the Exchange as an appendix to the prospectus in accordance with the Listing Directive,
- Accepting and undertaking that it is known that the lawyer's report will be published as a part of the prospectus for the capital market instrument in the declaration letter that must be submitted by an independent lawyer in accordance with the Listing Directive,
- that the prospectus is a whole with its annexes, according to the Communiqué,
- The fact that the lawyer's report is a report used as a basis in the prospectus and added in the appendix of the prospectus published to the public, and that a significant part of the determinations in the lawyer's report are included in the prospectus, as well as reference to the independent lawyer in section 30 of the prospectus.
- The provision that the persons and institutions that prepare the reports prepared to be included in the prospectus in the second paragraph of Article 10 of the Law No. 6362 are also responsible for the inaccurate, misleading and incomplete information contained in the reports they prepare, within the framework of the provisions of this Law, implicitly includes the report of the lawyer.

According to paragraph 2 of Article 10, those who prepare the lawyer's report are responsible within the framework of the provisions of this Law. Law No. 6362 is implemented as a whole with its secondary legislation. In this context, the Listing Directive, which is one of the sub-regulations of the Law No. 6362, will also be applied due to the reference within the scope of the second paragraph of Article 10. Within the scope of the Quotation Directive, those who prepare the lawyer's report are responsible for the mistakes in the lawyer's report submitted to the Exchange, according to their faults and on the requirements of the case. In addition, the 4th paragraph of the 32nd article of the Law No. 6362, which has a provision on the presumption of causal link, and the 6th paragraph that regulates the statute of limitations, will be applied to those who prepare the lawyer's report.

Please contact us for more detailed information.



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