



FINANCIAL RESTRUCTURING ENTERED INTO FORCE ONCE AGAIN

In accordance with Provisional Article 35 added to the Banking Law by Article 52 of the Law No. 7491, which entered into force after being published in the Official Gazette dated 28 December 2023 and numbered 32413, **Provisional Article 32 of Banking Law in relation to financial restructuring which expired on July 19, 2023 has been reinstated for a period of 2 years starting from the publication date of Law No. 7491 which is 28 December 2023 and the President have the power to extend this period by 2 years.**

AMENDMENTS INTRODUCED BY LAW NO. 7491

Provisional Article 35 added to the Banking Law numbered 5411 (“**Banking Law**”) pursuant to Article 52 of the Amendments to Certain Laws and Decree Laws numbered 7491 (“**Law No. 7491**”) states that the Provisional Article 32 of the Banking Law regarding financial restructuring shall be applied for two years from the date of publication of the relevant article, and the President is authorized to extend this period for a further two years. According to the preamble of such article it is indicated that the amendment has been made in order to extend the implementation period of the existing regulation for the financial restructuring (which was expired) by two years and to ensure that the President is authorized to extend this period by an additional two years if deemed necessary.

Provisional Article 32 entered into force on 19 July 2019 and its implementation period was extended for two years by a Presidential decree. However, with the expiration of the two-year period, the application of Provisional Article 32 came to an end on July 19, 2023.

With the enactment of the Law No. 7491, the implementation period of Provisional Article 32 and financial restructuring, which expired on 19 July 2023, re-entered into force on 28 December 2023 without any change in the article provision. Therefore, the financial restructuring provisions will continue to be in force until 28 December 2025 and this period might be extended by the President for a further two years.

Please contact us for detailed information.



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This memorandum has been prepared on 29 December 2023 for information purposes regarding the Amendment of Certain Laws and Decree Laws numbered 7491 which entered into force upon publication in the Official Gazette on 28 December 2023 and numbered 32413.

Our assessments contained in this memorandum does not constitute legal advice or legal opinion and Aksu Çalışkan Beygo Attorney Partnership shall not be hold liable in any way for these assessments. It is recommended to obtain legal opinion for your inquiries within the scope of this memorandum.

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