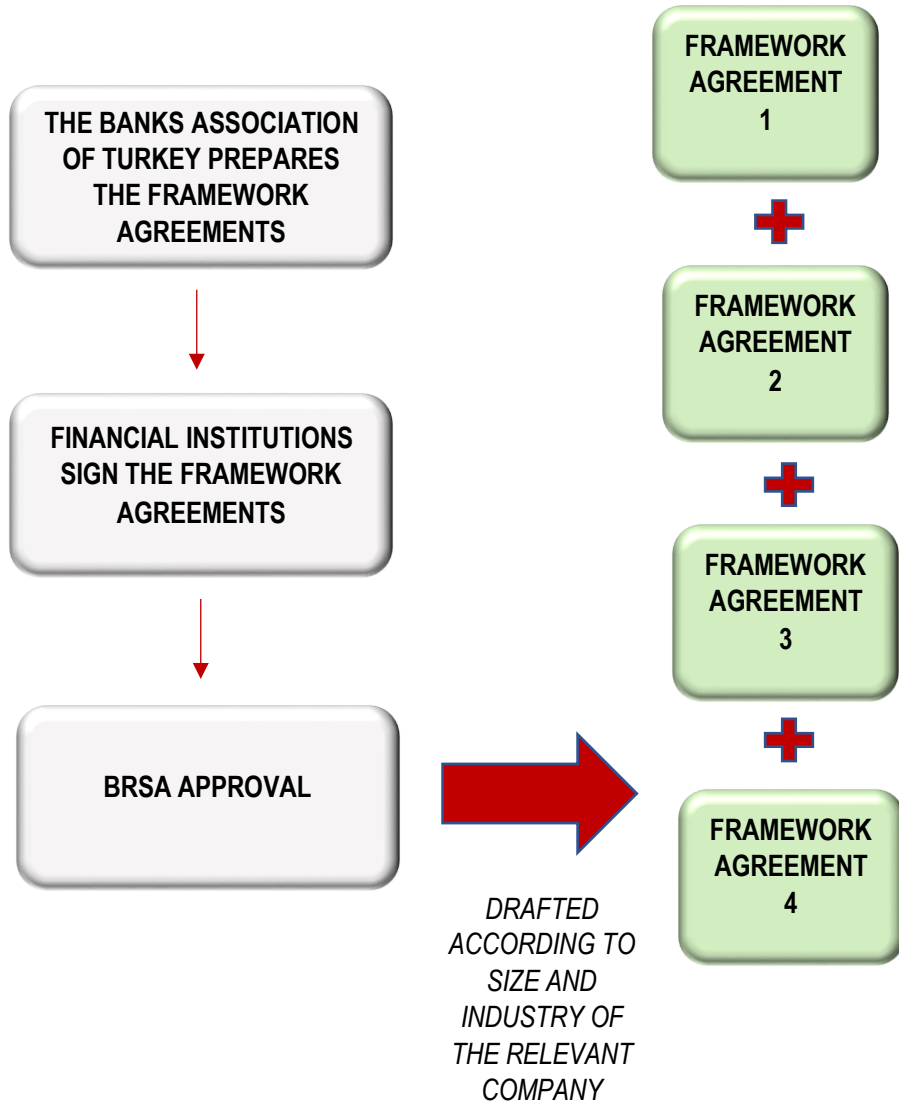


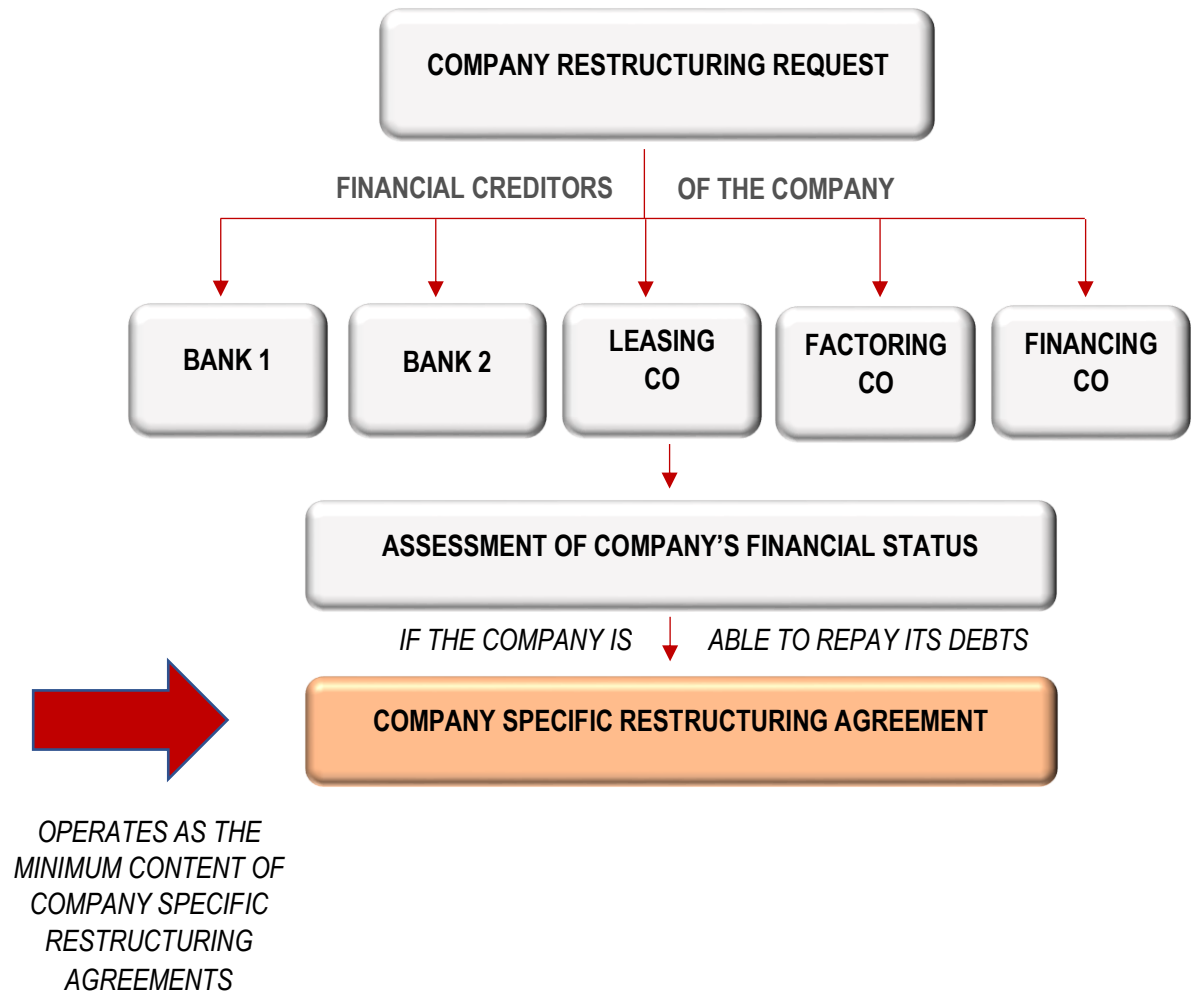
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FINANCIAL DEBT RESTRUCTURING ROADMAP FOR TURKISH COMPANIES

FRAMEWORK AGREEMENTS



COMPANY SPECIFIC RESTRUCTURING AGREEMENTS



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The Banking Regulation and Supervision Agency of Turkey (“**BRSA**”) has recently announced a broad restructuring program in relation to the debts of companies owed to the Turkish financial creditors. BRSA’s recent Regulation on the Restructuring of Debts Owed to the Financial Sector (“**Regulation**”) aims to pave the way for companies to initiate a general restructuring of their financial debts and ensure coordination of the Turkish financial institutions in the restructuring of these debts.

FRAMEWORK AGREEMENTS

- The framework agreements are prepared by the Banks Association of Turkey.
- Turkish financial institutions (banks, leasing companies, factoring companies, financing companies etc.) are parties to these framework agreements.
- The framework agreements become valid and applicable with the BRSA approval.
- Customized framework agreements may be drafted according to the size (*SME etc.*) and industry (*energy, retails etc.*) of the companies.

COMPANY SPECIFIC RESTRUCTURING AGREEMENTS

- The company specific restructuring agreements must be signed **within two years** as of the BRSA approval of the relevant framework agreement. The BRSA is authorized to extend this term.
- The restructuring is subject to the ability of the company to repay its debts following restructuring. If the financial status of the company does not meet this condition, the financial debts of that company cannot be restructured.
 - ❖ The criteria for the repayment ability will be determined in the relevant framework agreement.
- If the two-thirds of the financial creditors in terms of debt-size (although not clearly expressed in the Regulation) approve the restructuring, the Regulation requires the rest of the financial creditors to participate in the restructuring.

This guide has been prepared for general information purposes. It is not meant to serve as legal advice in any manner. It is only a brief outlook of the topic. It is not and does not aim to be comprehensive. It only provides information on certain significant points of the topic and should not be used without a specific legal advice for the relevant case.

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