

Amendments to the Procedures and Principles applicable to the General Assembly Meetings

12 October 2020

Authors: [Gülşen Engin](#), [Elif Dilek Yılmaz](#) and [Sıla Altınsoy](#)

The Regulation Amending the Regulation on Procedures and Principles applicable to General Assembly Meetings of Joint Stock Companies and Representatives of the Ministry of Customs and Trade to be Present at such Meetings (“**Amending Regulation**”) was published in the Official Gazette dated 9 October 2020 and numbered 31269. The Amending Regulation introduced certain novelties to the requirements to be fulfilled by joint-stock companies (“**JSC**”) in general assembly meetings.

The main novelties introduced by the Amending Regulation are as follows:

- **Simplified procedures for JSCs with a sole shareholder:** The obligation to form a general assembly meeting presidency and prepare an attendance sheet have been repealed. Furthermore, regardless of the meeting agenda, attendance of a representative from the Ministry (as defined below) (“**Ministry Representative**”) to the general assembly meeting of a JSC with a sole shareholder is no longer mandatory, other than for general assembly meetings of JSCs, for which incorporation and articles of association amendments are subject to the approval of the Ministry of Trade (“**Ministry**”).
- **Amendments related to powers of attorney:** Prior to the Amending Regulation, the holders of registered or bearer share certificates in non-public companies had the option to be represented by their representatives at the meetings by issuing a power of attorney with a wet-ink signature, provided that a notarized signature declaration of the undersigned was also presented. The Amendment Regulation has cancelled this option. Currently, the only way to be represented at a general assembly meeting is by issuance by the relevant shareholder of a notarized power of attorney to its representative.
- **Parties to apply to the Ministry:** If the Board of Directors cannot reach the quorum to call for a general assembly meeting or cannot function as a result of expiry of its members’ terms, the appointment of a Ministry Representative may be requested through a petition signed by all shareholders or their representatives (provided that their signatures have been certified by a notary public). A general assembly meeting will be held without the need to follow an invitation procedure (i.e. with the attendance of all shareholders) and solely for the purpose of appointing Board members.
- **Payment of Taxes:** Previously, JSCs were required to pay the Ministry Representative an appointment fee and taxes applicable to such fees to separate accounts. The Amending Regulation provides for payment of applicable taxes together with the Ministry Representative’s appointment fee, to the same account.

- **Amendments to form documents:** The form attendance sheet and petition to be submitted to the Ministry for a Ministry Representative appointment, which are appendices of the regulation, have been amended to include the Mersis (online central registration of the Ministry) number of the shareholder and relevant JSC, respectively.

The Amending Regulation, except for one Article, entered into force on 9 October 2020. Article 15 of the Amending Regulation, which regulates payment of taxes as explained above, will enter into force one month following its publication, i.e. on 9 November 2020.

Çakmak Avukatlık Ortaklığı

Piyade Sokak, No. 18
C Blok, Kat:3, 06550
Çankaya, Ankara – Turkey

T +90 312 442 4680

Zorlu Center, D Lobisi, T3 Katı,
Daire 356, Levazım Mahallesi,
Koru Sokak No:2 34340
Beşiktaş İstanbul – Turkey

T +90 212 939 7560

This information is provided for your convenience and does not constitute legal advice. It is prepared for the general information of our clients and other interested persons. This should not be acted upon in any specific situation without appropriate legal advice and it may include links to websites other than the website.

Çakmak Avukatlık Ortaklığı has no responsibility for any websites other than its own and does not endorse the information, content, presentation or accuracy, or make any warranty, express or implied, regarding any other website.

This information is protected by copyright and may not be reproduced or translated without the prior written permission of Çakmak Avukatlık Ortaklığı.