MOROĞLU ARSEVEN

Amendments on the Enforcement and Bankruptcy Proceedings due to COVID-19 Pandemic

31 Mar 2020

Pertaining to the enforcement and bankruptcy proceedings, the Presidential Decree dated 21 March 2020 and numbered 2279 ("**Decree**") was published in the Official Gazette number 31076 dated 22 March. In the scope of the Decree, all enforcement and bankruptcy proceedings except those for alimony receivables shall be suspended until 30 April 2020. In this regard, the requests to initiate enforcement and bankruptcy proceedings shall not be allowed and a preliminary injuction decision shall not be enforced or executed.

Turkey's Ministry of Justice has issued a circular dated 24 March 2020 to clarify the matter regulated in the Decree and to ensure the consistency in practice. In this regard;

The enforcement proceedings will be automatically suspended without the need of any decision of the enforcement office

The payments made to the enforcement offices will be allowed, the payments will be transferred to the creditors in cases where it is understood that the rights of the debtor or third parties will not be violated according to the scope of the file.

Registration of any right and assets that have been tendered and finalized before the suspension decision will be completed.

No enforcement orders will be served during the suspension decision, including the enforcement files initiated before the suspension decision.

Since all enforcement proceeding to be requested by parties were suspended with the Decree, no objection and request will be received.

Since the enforcement and execution of the preliminary injunction decisions rendered before or during suspension period, any and all execution acts will not be realized by the enforcement office.

If the sales days previously announced by the enforcement and bankruptcy offices during the suspension period, a new sales day will be announced by the enforcement and bankruptcy offices without seeking a new request after the suspension period ends.

The terms regarding enforcement and bankruptcy proceedings will be stopped until the end of the suspension period during the suspension decision.

In addition to the above issues, it is stipulated by the Law that one of the parties shall request any act or transaction in favor of the counter party.

Please see this link for the full text of the Decree (only available in Turkish).