

Communiqué Changes Capital Requirements for Portfolio Management Companies

9 Jun 2021

The Capital Markets Board (the "**Board**") has amended the capital requirements for portfolio management companies. The Communiqué Amending the Communiqué on Portfolio Management Companies and Their Activities ("**Amendment Communiqué**") was published in the Official Gazette dated 27 May 2021 and numbered 31493 and entered into force of even date.

Notable provisions of the Amendment Communiqué include:

- initial capital required to establish a portfolio management company is increased from TRY 2,000,000 to TRY 6,000,000,
- capital adequacy ratios are increased as set forth on the following chart:

Reserve (TRY)	Portfolio Value (TRY)
6,000,000	< 200,000,000
8,000,000	200,000,001-1,000,000,000
10,000,000	1,000,000,001 - 7,500,000,000
20,000 ,000	> 7,500,000,000

- portfolio size triggering additional equity capital requirements (0.02% of excess) is increased from TRY 10,000,000,000 to TRY 15,000,000,000.
- equity capital limit without requirement of additional equity is increased to try 40,000,000.

Established portfolio management companies have until 31 December 2021 to comply with the Amendment Communiqué's new capital requirements. That said, following the amendment, the initial capital amount required will be TRY 6,000,000 for applications pending at the Board.

The Amendment Communiqué is available at this [link](#). (Only available in Turkish)

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