

Effects of COVID-19 Pandemic on Corporate Law and Corporate Governance Matters

31 Mar 2020

The COVID-19 pandemic has caused disruptions all over the world, including Turkey and measures to prevent the outbreak have extended to corporate and commercial matters. The major outcomes can be listed as follows:

- **Postponement of General Assemblies of Companies**

Within the framework of measures to prevent the spread of the pandemic in Turkey, it was stated under the letter of Turkey's Ministry of Commerce, General Directorate of Internal Commerce dated 20 March 2020 and numbered 53382221 ("**Announcement**"), that the management organs of companies can resolve to cancel the general assemblies, which had been duly called for, in order to convene them at a later date.

In this context, it is required that the Announcement regarding the Cancellation of General Assembly Invitation, the form of which is provided in the official web site of the Turkish Commercial Registry Gazette, along with the notarized resolution of the board of directors in joint-stock companies and board of managers in limited companies, resolving to cancel such general assembly in order to convene at a later date, are submitted to the relevant commercial registry office.

- **Electronic General Assembly and Board Meetings**

As per the Announcement, the companies using the Electronic General Assembly System as per Article 1527 of Turkish Commercial Code are encouraged to convene their general assembly meetings electronically, to ensure that a physical meeting with a minimum number of shareholders is convened within the framework of measures to prevent the pandemic and it has been recommended that shareholders use discretion to attend such general assembly meetings electronically, without a physical attendance.

As per the Announcement, measures have been taken for those companies that do not have a provision regarding electronic general assemblies or electronic board meetings in their articles of incorporation, in order to enable them to conduct meetings on "Electronic General Assembly System" and "Electronic Board of Directors of System".

As per the Announcement, even if the companies do not currently have necessary provisions in their articles of association allowing conducting of electronic meetings, they can conduct the meetings electronically, provided that they make the required amendments in their articles of association in their next general assembly meeting. Companies can use this opportunity by receiving the necessary support from the Central Registry Agency A.Ş., by ensuring that all shareholders are provided with necessary means to attend the general assembly electronically.

- **Changes in Working Hours of the Commercial Registries**

Due to disease prevention measures, working hours of the public institutions is being changed throughout Turkey. Accordingly, working hours of commercial registries has been restricted to certain hours, through decisions of the related commercial registry office.

Please see this [link](#) for the full text of the Announcement (only available in Turkish).

Related Practices

- [Corporate](#)