

## Turkey Announces New Rules on Concordat Procedures

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The Regulation on Commissioner for Concordat and Creditors' Committee and The Regulation on Documents to be added to the Concordat Request were published in Official Gazette numbered 30671 dated 30 January 2019.

The rules mainly regulate the following issues:

### Reasons for Avoidance and Leaving the Commissioner Duty

The request for the avoidance of the assignment should be made within five days from the date on which the assignment is learned, with a petition to be submitted to the commissioning court. The reason for avoidance and the documents, if any, must be added to the petition. In case the court finds the request inappropriate after examining the file, the commissioner is obliged to accept the duty. If despite this decision, the commissioner continues to avoid the duty, the court will appoint another commissioner.

### Commissioner Training

Basic training includes theoretical and practical information necessary to carry out the duty of commissioner and consists of at least 36 lessons. Participation in basic training is mandatory. Persons who have the title of professor or associate professor in the fields of civil procedure law, enforcement and bankruptcy law, civil law, commercial law and business, economics, finance, and accounting are exempted from commissioner training.

Commissioner Training is provided by the law schools, Turkey Bar Association, Union of Chambers of Certified Public Accountants and Sworn-in Certified Public Accountants of Turkey with the permission of Turkey's Ministry of Justice.

### Removal from the List

In the following cases, the commissioner will be removed from the list by the regional board:

- Requested by the commissioner.
- Notified by the Public Oversight, Accounting, and Auditing Standards Authority that the commissioner has lost the quality of being an independent auditor.
- Loss of admission requirements or subsequent determination of the absence of requirements at the registration date to the list.
- Failure to accept or discontinue the duty in violation of the provisions of the Regulation.
- Attitude and behavior that shake the confidence required by the duty.
- Acting against the obligations.

The chairman of the regional board or the appointed member will notify the commissioner and request a written defense within one week, in case it finds any serious allegations about the commissioner during the inspection and auditing.

### Documents to be Attached to the Concordat Request

The debtor should add the following documents to the concordat request:

- Concordat preliminary project.
- Documents showing the status of the debtor's assets.
- List of credits and creditors.
- Comparison chart.
- Audit report providing reasonable assurance.

The debtor, who is not subject to bankruptcy, will only add the concordat preliminary project, the list of credits and creditors and the corresponding documents showing the status of the debtor's assets to the concordat request. If the initiation of concordat proceedings is requested by one of the creditors, the court will give a reasonable amount of time to the debtor to submit the documents and records in full.

## The Audit

The audit should be performed to determine whether reasonable assurance will be given regarding the realization of the proposal in the concordat preliminary project of the debtor.

Please see this [link](#) for full text of the Regulation on Commissioner for Concordat and Creditors' Committee (only available in Turkish).

Please see this [link](#) for full text of the Regulation on Documents to be added to the Concordat Request (only available in Turkish).

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