

## Turkish Courts Prohibited from Considering Bankruptcy Postponement Applications During State of Emergency

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Turkey has introduced regulations regarding new and existing bankruptcy suspension requests and company guardians in the wake of the 90 day of State of Emergency declared on 21 July 2016. Drastic changes have recently been introduced for the Turkish bankruptcy postponement regime (more). More recently, it was clarified that courts must immediately decline bankruptcy suspension requests made during the State of Emergency, without examining the conditions of the bankruptcy. Courts will also urgently review injunction decisions made in favor of companies later found to be linked to terrorist organizations.

For bankruptcy suspension requests filed before the State of Emergency was declared (21 July 2016), courts cannot:

- Pass bankruptcy suspension decisions during the State of Emergency.
- Pass injunction decisions (and those injunctions which have been given will be immediately revoked).

Courts will urgently examine injunction decisions made under the Enforcement and Bankruptcy Law no. 2004 before the State of Emergency was declared. Injunction decisions will be revoked if they are in favor of companies and cooperatives which have since been appointed a guardian under Criminal Procedure Law no. 5271 due to their connection to terrorist organizations, structures, or groups which act against national security according to the National Security Council.

Please see this [link](#) for the full text of Decree Law No 673 on Measures to be taken regarding the State of Emergency, published in Official Gazette number 29787 on 31 July 2016 (only available in Turkish).

### Related Practices

- [Insolvency and Restructuring](#)