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**COMMUNIQUE ON TAKEOVER BIDS (II-26.1)**

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**FIRST PART****Purpose, Scope, Grounds, Definitions and Abbreviations****Purpose**

**ARTICLE 1 – (1)** The purpose of this Communiqué is to set down the procedures and principles relating to voluntary and mandatory takeover bids in publicly held corporations.

**Scope**

**ARTICLE 2 – (1)** Unless otherwise specified in the relevant regulations, this Communiqué is not applicable on cases where a takeover bid becomes mandatory pursuant to first paragraph of Article 25 and fifth paragraph of Article 26 and forth paragraph of Article 33 of the Capital Markets Law no. 6362 dated 6/12/2012, independently from the change of control.

**Legal basis**

**ARTICLE 3 – (1)** This Communiqué is issued in reliance upon second paragraph of Article 25 and Article 26 of the Capital Markets Law no. 6362 dated 6/12/2012.

**Definitions and abbreviations**

**ARTICLE 4 – (1)** For the purposes and in the context of this Communiqué:

- a) “Parent company” refers to parent companies defined in the Turkish Accounting Standards; and
- b) “Special-purpose acquisition company” refers to a corporation defined in regulations of the Board pertaining to merger and split-up; and
- c) “Persons acting in concert” refers to natural persons or legal entities who enter into a cooperation in reliance upon an explicit or implicit, verbal or written agreement with the offeror with a view to acquiring the control of the target corporation or with the target corporation with a view to preventing the successful completion of a bid process; and

SOURCE: Capital Markets Board ([www.cmb.gov.tr](http://www.cmb.gov.tr))UPDATES: Eryürekli Law Office ([www.eryurekli.com](http://www.eryurekli.com))

English translation of this legislation is provided for informational purposes only. If there is any discrepancy between the Turkish version and the English translation, the Turkish version shall prevail. You should not rely upon this translation without receiving the confirmation of your counsel.

- ç)** “Exchange” refers to systems and marketplaces defined in Article 3 of the Law; and
- d)** “EURIBOR” refers to the reference interest rate applied in mutual lending operations in Euro by banks with high credibility in money markets within the European Union; and
- e)** “Publicly held corporation” refers to joint-stock companies the shares of which are offered to public or are deemed to have been offered to public; and
- f)** “Target corporation” refers to a publicly held corporation the shares of which constitute the target of a direct or indirect acquisition operation; and
- g)** “Law” refers to the Capital Markets Law no. 6362; and
- ğ)** “PDP” refers to and stands for the Public Disclosure Platform; and
- h)** “Partial takeover bid” refers to a takeover bid aiming at purchasing / acquisition of a particular group or a particular part of the same group of capital shares of a publicly held corporation; and
- ı)** “Board” refers to the Capital Markets Board; and
- ıj)** “LIBOR” refers to the reference interest rate applied in mutual lending operations in USD by banks with high credibility in London interbank money market; and
- j)** “Security” refers to a capital market instrument as defined in Article 3 of the Law; and
- k)** “Takeover bid” or “bid” refers to a purchase offer made to persons holding the capital shares of a corporation for voluntary or mandatory acquisition of all or some of the capital shares of that corporation, resulting in or aiming to result in acquisition of control of the target corporation, other than those made by the target corporation itself; and
- l)** “Takeover bid information form” or “information form” refers to an information form as shown in Annex 1 of this Communiqué, containing the information required to be disclosed to public in the case of a voluntary or mandatory takeover bid; and
- m)** “Takeover bid offeror” or “offeror” refers to natural persons or legal entities submitting a takeover bid; and
- n)** “TRLIBOR” refers to Turkish Lira reference interest rate declared by the Banks Association of Turkey; and
- o)** “Investment firm” refers to intermediary institutions as well as other capital market institutions established to perform investment services and activities, the establishment and operation principles of which are designated by the Board, and banks; and
- ö)** “Bank” refers to the banks as defined in the Banking Law No. 5411 dated 19/10/2005; and
- p)** “Special Purpose Vehicles” refers to special purpose vehicles as defined in the Turkish Accounting Standards.

## SECOND PART

### General Principles

#### General principles on takeover bid

**ARTICLE 5 – (1)** In the event that a person or persons acting in concert with that person acquire the control by fully or partially acquiring the shares representing the capital of the target corporation, it is required to make a takeover bid in such manner to protect the rights of all shareholders holding other shares representing the capital of the target corporation. In a takeover bid, all shares included in the same group representing the capital of the target corporation are subject to equal treatment.

(2) Payments are required to be made in full and in cash in Turkish Lira. However, the consideration payable for a takeover bid may also be determined fully or partially as securities, with a prior written consent of the relevant shareholder. If the consideration of a takeover bid is fully or partially determined as securities, the securities should be trading in the exchange. Unit price or exchange rate used for the securities and the method employed in determination of this unit price or exchange rate are disclosed in the information form.

(3) Shares decided to be sold by the shareholders responding to a takeover bid are sold by the method declared in the information form through an investment firm dealing with the purchasing transactions in the name of offerors. Price of shares purchased against a takeover bid is paid within the business day immediately after sales at the latest. Brokerage and similar other costs relating to a takeover bid are required to be borne and paid by the offeror.

(4) All kinds of announcements, advertisements and notices relating to a takeover bid are prepared with a content consistent with the information included in the information form.

(5) For the purpose of implementation of this Communiqué, one month shall be deemed to be comprised of thirty days.

#### Provision of financial sources needed for takeover bid

**ARTICLE 6 – (1)** The offeror takes all required actions and measures before disclosing of the information form in order to be able to fully pay the price of takeover bid at the end of the purchasing period. The Board may request the offeror to receive a guarantee from a bank resident at home or a third party legal entity with regard to payment of price of takeover bid.

(2) If the Board requests a guarantee pursuant to the first paragraph, the guarantee contract to be signed between the parties is required to contain the following sentence: “If the offeror fails to take the required actions and measures and therefore, does not have the financial sources needed for full payment of price of the takeover bid at the end of the acceptance period, then and in this case, any person accepting the bid may request the guarantor to ensure full performance and/or full indemnification of all damages and losses incurred due to non- performance of takeover bid as required.”

### **Principles on takeover bid information form**

**ARTICLE 7 – (1)** In applications of a takeover bid to the Board, it is required to fill in and issue the information form given in Annex 1 of this Communiqué. The Board approves the information form only if it determines that the information given in the information form are consistent, understandable and complete according to the standards set down by the Board. The Board may request inclusion of additional information in the information form. The information form should be issued fully and accurately so as to ensure that the recipients thereof are adequately informed.

(2) Information form will be signed jointly by the natural persons and/or legal entities submitting the takeover bid and by officials of the investment firm.

(3) The Board-approved information form will, in 3 business days following the date of approval by the Board, be published:

a) if shares of the target corporation are being traded in the stock exchange, in PDP and in the corporation's own internet site; and

b) if shares of the target corporation are not being traded in the stock exchange, in at least one newspaper being published or distributed nationwide and/or locally in the city of headquarters of the corporation, and in the Board's own internet site or if any, in the corporation's own internet site.

(4) The newspaper where the information form is advertised is to be sent to the Board within six business days following the date of first advertisement.

(5) If and when it is detected after approval of the information form that the information contained therein are untrue, misleading or incomplete, the liability therein for belongs to the offerors and the officials of investment firm signing the information form.

### **Suspension or prohibition of takeover bid**

**ARTICLE 8 – (1)** If and when it is detected after approval of the takeover bid information form that the information contained therein are untrue, misleading or incomplete, or a takeover bid is submitted without an information form, then and in this case, the Board may suspend or prohibit the takeover bid.

(2) If and when a takeover bid is suspended, the persons responding to the bid until the decision of suspension is disclosed to public are required to cancel or withdraw their responses.

(3) Where a takeover bid is prohibited by the Board, the transactions executed in reliance upon the prohibited takeover bid until the decision of prohibition is disclosed to public will be valid and in force, unless stated otherwise by the responders of bid. However, the transactions executed in reliance upon the prohibited takeover bid after the decision of prohibition is disclosed to public are invalid and void.

### **Principles on brokerage contracts**

**ARTICLE 9 – (1)** It is mandatory that brokerage contract be signed between the offeror and the investment firm. The Board may grant an exemption of the obligation of employing an investment firm for the situations

when the shares of non-publicly traded corporations are subjected to a mandatory takeover bid,

(2) A brokerage contract should at least contain the following items:

- a) Quantity and nominal value of the shares to be purchased via takeover bid, and whether bearer or registered shares, whether privileged and preferential or not, and if privileged, the group of shares and the nature of privilege;
- b) Starting and ending dates of actual takeover bid;
- c) Cash money to be paid or securities to be provided per share;
- ç) Fees, commissions or other interests to be charged;
- d) Amount to be deposited to the investment firm by takeover bid offerors, and the information about the procedure to be applied if that amount remains inadequate, and obligations of the investment firm in these situations;
- e) Who will organize the advertisements and announcements, and will give information to the Board, and principles of responsibility in relation therewith; and
- f) Information introducing the parties to contract, and their authorized signatories, and date of the contract.

#### **Information to be disclosed to public**

**ARTICLE 10 – (1)** The following items are disclosed by the offeror to public within the frame of principles of the Board pertaining to disclosure of material events to public:

- a) Decision to make a takeover bid;
- b) Emergence of making a mandatory takeover bid, whether exemption will be requested or not, and if exemption will be requested upon which article of this Communiqué the request will be filed;
- c) Information on takeover bid price or how this price will be determined;
- ç) An actual application to the Board for an exemption from the obligation of making a mandatory takeover bid or for making a takeover bid;
- d) Completion of the process of application filed to the Board for an exemption of the obligation of making a takeover bid or for making a takeover bid;
- e) Summary or conclusion parts of assessment reports to be prepared for determination of takeover bid price;
- f) Number and amount of shares purchased in the stock exchange or in the over-the-counter market, and number of shareholders responding to takeover bid, as of the end of each trading day during the takeover bid period;
- g) Total number and amount of shares purchased, and total number of shareholders responded to takeover

bid, as of the end of the takeover bid period;

ğ) Detailed shareholding structure and management of the corporation the shares of which are subject to the takeover bid, as of the end of the takeover bid period;

h) Renunciation from the attempt to collect shares through voluntary takeover bid;

ı) Actions taken for price equality.

(2) Information on takeover bid price or how this price may be determined is disclosed to public concurrently with the decision of making a takeover bid or the emergence of obligation to make a takeover bid.

(3) Where it is required to employ an investment firm in takeover bid, the items required to be disclosed to public pursuant to this Article may also be disclosed by the investment firm to public. However, the liability belongs to the offeror in any case.

### THIRD PART Principles on Mandatory Takeover Bid

#### Mandatory takeover bid

**ARTICLE 11 – (1)** Those who, directly or indirectly, alone or jointly with the persons acting in concert, acquire the shares or voting rights giving the control of a corporation, through a voluntary partial takeover bid, or block and/or individual purchases, or by any other method, are under obligation to submit a takeover bid for purchasing the shares of other shareholders as well.

(2) The obligation to make a takeover bid arises also upon acquisition of control through special written agreements signed between the shareholders, even if no change occurs in shareholdings of the corporation.

(3) With the intention of protecting the interests of shareholders of publicly held corporations which are basically engaged in management of a business of a temporary or permanent franchise granted by public entities and administrations for public services and whose franchise is abolished, or whose operating license is cancelled pursuant to the Banking Law no. 5411 dated 19/10/2005, or whose shareholding rights, other than dividends, and whose management and supervision are transferred to the Saving Deposits Insurance Fund, the Board may impose a mandatory takeover bid obligation on natural persons or legal entities holding the control therein who are determined to have caused the abolishment of franchise, or the implementation of relevant provisions of the Law no. 5411.

(4) Mandatory takeover bid cannot be conditioned by any conditions.

#### Control

**ARTICLE 12 – (1)** Holding more than fifty percent of voting rights of a corporation directly or indirectly, alone or jointly with persons acting in concert, or regardless of such percentage, holding privileged shares enabling their holder to elect simple majority of total number of the members of the board of directors or to nominate for the said number of directors in the general assembly meeting, is considered and treated as

acquisition of control. However, this Article does not extend to cases where control cannot be acquired due to existence of privileged shares.

(2) Except for the cases referred to the preceding first paragraph, the holding of a right to elect simple majority of total number of members of the board of directors due to capital structure of the corporation or due to the actual situation in the general assembly meeting does not construe as acquisition of control.

(3) In determination of whether natural person and/or legal entity shareholders of a publicly held corporation hold the control or not, the below mentioned persons are deemed to act in concert with the said natural person and/or legal entity shareholders:

- a) Corporations the control of which is held by natural person and/or legal entity shareholders;
- b) Natural persons and/or legal entities holding control of legal entity shareholders, and corporations the control of which is held by these persons.

### **Mandatory takeover bid process**

**ARTICLE 13 – (1)** Within six business days following the acquisition of the shares giving the control, it is obligatory to file an application to the Board for a takeover bid, together with information and documents listed in Annex 2 of this Communiqué.

(2) It is required to start the actual takeover bid process within two months following the date the obligation to make a takeover bid arises. In the case of a failure in initiation of the said process, without prejudice to the provisions of Article 17 pertaining to exchange rates and interests, the Board may, if required, give an additional time to the relevant person / persons for completion of the actual takeover bid process. If actual takeover bid process cannot be completed by the end of such additional time, an administrative fine up to the total price of shares covered by the takeover bid within the frame of provisions of third paragraph of Article 103 of the Law may be inflicted on natural persons and/or legal entities who fail to fulfill the obligation to make a takeover bid.

(3) Actual takeover bid process starts within maximum six business days following the date of approval of the information form by the Board. The period of actual takeover bid cannot be less than 10 business days or more than 20 business days.

(4) If the periods mentioned in this Article are not abided by, the voting rights held by natural persons and/or legal entities being obliged to make a takeover bid and by persons acting in concert with them will be automatically frozen as of the date of occurrence of the said breach, without any further act or action of the Board. Said shares will not be taken into consideration in determination of general assembly meeting quorum. Regardless of the reasons of freezing mentioned in this Article, and unless otherwise decided by the Board, the frozen voting rights will be automatically thawed without any further act or action of the Board in the first day following completion of the mandatory takeover bid process.

### **Cases where obligation to make a takeover bid does not arise**

**ARTICLE 14 – (1)** Upon occurrence of the following events, the obligation to make a takeover bid is considered not to arise:

- a) Acquisition of control as a result of a voluntary takeover bid submitted to all shareholders for all of the shares in their possession in accordance with provisions of this Communiqué;
- b) In the case of acquisition of control through special written agreements without an acquisition of shares, providing that these agreements are approved by the general assembly of shareholders, and granted the break-away right pursuant to the relevant regulations of the Board to the shareholders who have attended the general assembly meeting and used negative votes and incorporated their dissenting opinions in the minutes of the meeting;
- c) If the shareholder holding the control, after the percentage of his shares in the corporation falls below the rate mentioned in Article 12 hereof, reacquires more than 50 percent of voting rights of the corporation through new share purchases provided that the control is not acquired by third parties during the term in which the controlling shareholder's voting rights remain under the said proportion.
- ç) Acquisition of voting rights giving the control by the same natural person or legal entity as a result of transfer of shares within the group the control of which is held by the said person.
- d) As a result of acquisition of one part of the shares of the corporation's shareholders holding management control, the acquirer becoming entitled, with the condition that it holds fifty percent or a lower percentage of the voting rights of the corporation, to share the management control over the corporation at an equal percentage with, or at a lower percentage than, the shareholder which held management control prior to transfer of shares under a written agreement.

#### **Mandatory takeover bid price**

**ARTICLE 15 – (1)** The price for mandatory takeover bid may not, if the shares of the target corporation are traded at stock exchange, be lower than the arithmetic mean of weighted average stock exchange prices, corrected on daily basis, occurring within the period of six months before the date on which it is disclosed to the public that agreement on sale of shares has been executed, and the highest price that is paid by the target corporation to the same group of shares within the period of six months before the bid, including the direct share takeovers giving rise to takeover bids by the offeror or the persons it acts concert with. Ancillary considerations which can be considered as being directly inclusive in the amount paid in case of share acquisitions which give rise to the obligation of mandatory takeover bid, and premiums that will be paid in case of occurrence of certain conditions after the date of share transfer, and similar factors shall be taken into consideration in calculation of the takeover bid price.

**(2)** In the case of an indirect change in control of the target corporation, the takeover bid price is determined so as not to be less than the highest one of:

- a) the price set out in the valuation report prepared within the framework of the Board's regulations concerning valuation by taking into consideration the differences in privileges among share groups; or
- b) the highest price by the offeror or the persons acting in concert with him/her in purchases of shares of the target corporation within the period of six months prior to the date of disclosure to public of the agreement, if any, relating to transfer of shares leading to the indirect change in control of the target corporation; or
- c) if the shares of the target corporation are traded at stock exchange, the arithmetic mean of weighted average stock exchange prices, corrected on daily basis, occurring within the period of six months before



the date on which it is disclosed to the public that agreement on sale of shares has been executed.

(3) In the case of availability of more than one share group representing the capital of the target corporation, the takeover bid price payable for shares included in group or groups not covered by the transfer of shares leading to the obligation to make a takeover bid is determined so as not to be less than the highest one of:

a) the price specified in the assessment report prepared within the frame of regulations of the Board pertaining to assessment, by also considering the privilege differences between share groups; or

b) the highest price that is paid by the takeover bid offeror or the persons it acts in concert with, in their takeovers in respect of shares which are included into the group or groups which are not subject to share transfer giving rise to the takeover bid obligation within the period of six months before the date on which it is disclosed to the public that agreement on sale of shares of the target corporation has been executed, if any, including the share takeovers giving rise to takeover bids by the offeror or the persons it acts concert with; or

c) if the shares that are included into the group or groups which are not subject to share transfer that gives rise to the obligation of takeover bid are traded at stock exchange, the arithmetic mean of the weighted average stock exchange prices, corrected daily, occurring within the period of six months prior to the date on which it is disclosed to the public that the agreement on sale of target corporation's shares has been executed, if any.

(4) In the event that the takeover bid price cannot be determined according to principles set down in the first paragraph hereof, the Board may request an assessment report for determination of the takeover bid price. Date of transfer of shares is taken as a basis in preparation of assessment report. If and to the extent deemed necessary by the Board, a new assessment report may be requested to be prepared by the same institution or a different institution authorized on assessment.

(5) If, in connection with transactions that are realised during periods of applicability of the daily corrected weighted average prices influencing the takeover bid price and consequently, the investors' decisions on whether or not to participate in the takeover bid, the Board resolves that action be taken pursuant to Articles 101 and 107 of the Law, the Board may resolve that the takeover bid should be ceased or the takeover bid price be re-determined.

### **Principles on price equality**

**ARTICLE 16 – (1)** If, during the period between the date of disclosure to public of the agreement relating to sales of shares of the target corporation and the expiry date of the period of actual takeover bid, the offeror or the persons acting in concert with him/her purchase the shares of the target corporation at a price higher than the takeover bid price, then the takeover bid price will be re-determined so as not to be less than the highest price paid for the purchased shares. If the takeover bid price is re-determined, the takeover bid process will be continued over the re-determined price. Thereupon, in the case of a difference between the price re- determined as above and the price paid to shareholders who have responded to the takeover bid and sold their shares before the takeover bid price is re-determined, this difference is paid to the relevant persons within two business days following the end of the takeover bid period. If and when it is detected within one year following completion of the takeover bid process that shares are purchased in conflict with these provisions and that the resulting difference is not reflected onto the price, then a new takeover bid is made over a new takeover bid price calculated by addition of amount of interests over the rate set forth in Article 17 hereof, and the difference thereof is paid to shareholders who have previously responded to the

takeover bid and sold their shares.

(2) The highest price paid by the offeror or the persons acting in concert with him/her within the periods mentioned in first paragraph hereof is advised to the Board, and is then disclosed to public without delay, as stipulated in Article 10 hereof.

### **Principles on exchange rates and interests in determination of takeover bid price**

**ARTICLE 17 – (1)** If, in the transaction leading to mandatory takeover bid, the price is determined in Turkish Lira, and within two months following the date the obligation to make a takeover bid arises, the actual takeover bid process is not started for purchase of shares of other shareholders of the corporation, then and in this case, for each day exceeding two months, the amount of interests to be calculated over TRLIBOR plus 50% per annum will be added to the takeover bid price. Interest is calculated over simple interest basis.

(2) If, in the transaction leading to mandatory takeover bid, the price is determined in a foreign currency, then the takeover bid price is determined as the equivalent in Turkish Lira of the sum to be calculated by using the higher one of the foreign exchange buying rate published by the Turkish Central Bank as of the date of transfer of shares leading to the obligation to make a takeover bid, or the foreign exchange buying rate published by the Turkish Central Bank as of the business day immediately before the actual starting date of takeover bid process.

(3) If, in the transaction leading to mandatory takeover bid, the price is determined in a foreign currency, and within two months following the date the obligation to make a takeover bid arises, the actual takeover bid process is not started for purchase of shares of other shareholders of the corporation, then and in this case, for each day exceeding two months, the interest rate mentioned in the first paragraph hereof will be applied as EURIBOR plus 50% per annum for the transactions in Euro currency, and as LIBOR plus 50% per annum for the transactions in United States Dollar currency. If the transfer of shares leading to mandatory takeover bid is executed in a different currency, an amount of interests to be calculated over a rate deemed fit by the Board will be added to the takeover bid price.

### **Exemption from obligation to make a takeover bid**

**ARTICLE 18 – (1)** Upon occurrence of any one of the following events, the Board may, upon application, grant an exemption from the obligation to make a takeover bid:

**a)** If the shares or voting rights of a publicly held corporation are acquired as a requirement of a change in capital structure required for reinforcement of financial standing of the corporation in financial distress (Thereupon, the Board examines and checks whether a new fund is injected into the corporation or not, or whether change of capital structure is required or not.); or

**b)** Providing that the shares of a publicly held corporation are not used in any general assembly meeting or a change is not made in the corporation's board of directors, if the portion leading to an obligation to make a takeover bid out of the shares held in capital of the publicly held corporation is disposed of or is committed in writing to be disposed of within a period of time to be deemed fit by the Board; or

**c)** If a change in control of parent company of a publicly held corporation does not intend to acquire control in the publicly held corporation (In the case of occurrence of this event, the Board takes into consideration

whether the target corporation's effect on total assets shown in the last yearly financial statements of parent company exceeds 10% or not, and whether the target corporation plays an important role in the volume of business operations of the parent company or not, and similar other issues relating thereto; or

c) Sales of shares of public sector in the publicly held corporations covered by privatization; or

d) Within the frame of principles and procedures stipulated in the prospectus issued for public offering of shares, providing that shares held by the shareholders who give negative vote on merger in the general assembly meeting where merger is approved are repurchased before completion of merger, if control changes as a result of merger process to which the special-purpose merger company is a party as the transferee (acquiring company).

e) Transfer of the title of shares provided to the bank as the collateral of the loan as per article 47 of the Law, transfer of these shares to the special purpose vehicle that the bank is a founder of which and purchase of these shares by third parties from the bank or the special purpose vehicle following the transfer of title to the bank or the special purpose vehicle, in case the bank loans are not repaid; or

f) Transfer of shares in order to execute a provision of the legislation determining status of shareholding.

g) Change of management control resulting from the shares taken by the existing shareholders in the capital increases realized by the publicly traded companies in which the preemptive rights of shareholders are not restricted.

(2) For exemption requests, an application is required to be filed to the Board by those who are obliged to make an offer within six business days following the date the obligation to make a takeover bid arises. If, as a result of review and assessment of the information and documents to be requested by the Board, it is concluded that the exemption conditions have been satisfied, the relevant persons may be exempted from the obligation to make a takeover bid.

#### **Disapproval of application for exemption**

**ARTICLE 19 – (1)** If and when an application for exemption from the obligation to make a takeover bid is disapproved by the Board, then, the period of initiation of actual takeover bid process which is specified as two months will be applied as one month following the date of decision of the Board to disapprove the application for exemption.

(2) Within six business days following the date of decision of the Board to disapprove the application for exemption, an application is required to be filed to the Board for a takeover bid, together with the information and documents listed in Annex 2 of this Communiqué.

### **FOURTH PART Principles on Voluntary Takeover Bid**

#### **Voluntary takeover bid**

**ARTICLE 20 – (1)** A voluntary takeover bid may be submitted for all or some of shares of a publicly held

corporation. If, in a voluntary takeover bid submitted for some of shares, the number of shares covered by the demands for participation in takeover bid is more than the number of shares covered by the takeover bid, then, the voluntary takeover bid process is handled according to proportional distribution method so as not to cause any inequality between demanding shareholders.

(2) Persons attempting to collect shares through a voluntary takeover bid may renounce from purchasing the shares of corporation until the actual starting date of process. This is separately disclosed to public in accordance with the principles stated in Article 10 hereof.

(3) Upon application of the target corporation and in order to enable the target corporation to call the general assembly of shareholders for a meeting to evaluate the bid, the Board may extend the voluntary takeover bid period by maximum thirty business days.

(4) It is required to file an application to the Board for a voluntary takeover bid, together with the information and documents listed in Annex 2 of this Communiqué.

(5) In the first public disclosure relating to the intention to make a voluntary takeover bid, the amount of funds allocated for the bid and the source of such funds will be separately specified.

(6) The period of voluntary takeover bid cannot be less than ten business days or more than twenty business days.

(7) The actual takeover bid process starts within not more than six business days following the date of approval of the relevant information form by the Board.

#### **Report of Board of Directors of target corporation on voluntary takeover bid:**

**ARTICLE 21 – (1)** Board of directors of the target corporation prepares and issues a report reflecting its opinions on the takeover bid, and the justifications of its opinions, also including its opinions on strategic plans of natural person or legal entity making the voluntary takeover bid with regard to the target corporation, and as to probable impacts and effects of these plans on the areas and places of activity of the target corporation and on the employment level in the target corporation. This report is disclosed to public, within the frame of regulations of the Board pertaining to disclosure of material events to public, by no later than one business day prior to the starting date of actual takeover bid process.

#### **Making changes in voluntary takeover bid and its price**

**ARTICLE 22 – (1)** Voluntary takeover bid offeror may increase its takeover bid until one business day before the expiry of the actual takeover bid period, and/or, if a voluntary takeover bid has been made for one part of the shares, it may change its takeover bid so as to cover a larger part of the shares or the whole of the shares.

(2) If the price for the voluntary takeover bid is increased and/or its scope is enlarged, takeover bid procedure will be continued by taking into consideration the re-designated price and/or scope. The new bid will be valid if the change to be made is notified to the Board, and disclosed to the public in accordance with the procedure described in Article 10.

(3) The difference between the price paid to the shareholders who sold their shares by participating in the

bid before re-designation of the price for the voluntary takeover bid and the re-designated price shall be paid to the relevant shareholders within two business days following expiry of the takeover bid period. The shareholders who conveyed requests in response to the voluntary takeover bid before the changing of the scope of the bid may amend their bids throughout the takeover bid period.

(4) In case any changes are made to the voluntary takeover bid price and/or scope, the purchasing period shall be extended for two weeks. No further changes may be made to the bid within such additional time-period of two-weeks.

### **Competing bid**

**ARTICLE 23 – (1)** Competitive bid refers to a bid made by a third party within the purchase period of the first voluntary takeover bid.

(2) In the case of a competitive bid, if the acceptance period of the first bid expires before the end of acceptance period of the competitive bid, then the acceptance period of the first bid may, upon demand, be extended until the end of purchasing period of the competitive bid. This provision is applicable also in the case of change or prohibition of competitive bid or in the case of a conflict between competitive bid and the pertinent law provisions.

(3) Persons who hold the shares of target corporation and have accepted the first bid may withdraw their acceptance, providing that the acceptance of the first bid precedes the date of publishing of information form of the competitive bid, and the transfer of shares relating to the first bid has not been completed yet.

## **FIFTH PART Final Provisions**

### **Repealed communiqué**

**ARTICLE 24 – (1)** The Communiqué on The Principles Regarding The Collection of Corporation Shares Through Takeover Bid (Serial IV, No. 44) published in the Official Gazette edition 27337 on 2/9/2009 is repealed. References made in other regulations of the Board to the communiqués stated in the first sentence shall be deemed made to this Communiqué.

### **Effective date**

**ARTICLE 25 – (1)** This Communiqué becomes effective as of the date of publishing and is enforceable on obligations of mandatory takeover bids arising and on voluntary takeover bids to be made after its effective date.

### **Enforcement and execution**

**ARTICLE 26 – (1)** The provisions of this Communiqué will be enforced and executed by the Board.

## ANNEX-1

**TAKEOVER BID INFORMATION FORM**  
**FOR TAKEOVER OF SHARES OF ..... A.Ş.**  
**BY ..... THROUGH VOLUNTARY / MANDATORY TAKEOVER BID**

**1. Information on Target Corporation Covered by Takeover Bid:**

- (a) Company Name:  
(b) Trade Registry Office and Trade Registry Number:  
(c) Address:  
(ç) Telephone Number:  
(d) Fax Number:  
(e) Information on Shareholding Structure:

- (i) In mandatory takeover bid information forms, the information on shareholding structure<sup>1</sup> is required to be provided by filling in the following tables:

Shareholding Structure Prior to Acquisition of Shares Leading to Mandatory Takeover Bid:				
Name & Surname / Company Name	Group of Shares	Amount of Capital (TL)	Number of Capital Shares	Share Percentage (%)
Total				

Shareholding Structure After Acquisition of Shares Leading to Mandatory Takeover Bid (Recent Situation):				
Name & Surname / Company Name	Group of Shares	Amount of Capital (TL)	Number of Capital Shares	Share Percentage (%)
Total				

- (ii) In voluntary takeover bid information forms, the information on shareholding structure<sup>2</sup> is required to be provided by filling in the following table:

Shareholding Structure (Recent Situation):				
Name & Surname / Company Name	Group of Shares	Amount of Capital (TL)	Number of Capital Shares	Share Percentage (%)
Total				

**(f) Information on Board of Directors:**

- (i) In mandatory takeover bid information forms, the information on board of directors is required to be provided by filling in the following table:

Information on Board of Directors			
Before Purchasing		After Purchasing	
Name & Surname	Position	Name & Surname	Position

- (ii) In voluntary takeover bid information forms, the information on board of directors is required to be provided by filling in the following table:

Information on Board of Directors (Recent Situation)	
Name & Surname	Position

**2. Information on Natural Person/Legal Entity Making the Takeover Bid:**

- (a) Name & Surname / Company Name:  
 (b) Trade Registry Office and Trade Registry Number (if the offeror is a legal entity resident in Turkey):  
 (c) Address:  
 (ç) Telephone Number:  
 (d) Fax Number:  
 (e) Information on Shareholding Structure<sup>3</sup>: (If the offeror is a legal entity, the following table is required to be filled in.)

Shareholding Structure (Recent Situation):				
Name & Surname / Company Name	Group of Shares	Amount of Capital (TL)	Number of Capital Shares	Share Percentage (%)
<b>Total</b>				

- (f) Information on Board of Directors: (If the offeror is a legal entity, the following table is required to be filled in.)

Information on Board of Directors (Recent Situation)	
Name & Surname	Position

**3. Information on Relationship Between Target Corporation and Persons Making the Takeover Bid:**

- 4. Information on Event Leading to Mandatory Takeover Bid / Justification of Voluntary Takeover Bid:**
- (Should be filled in so as to contain information as to whether the offerors have the shares covered by the bid in their possession or not, and if so, on number and nominal value thereof, and whether privileged or not, and on how they are acquired.)*
- 5. Information on Conditions of Voluntary Takeover Bid:**
- 6. Information on Shares Covered by Takeover Bid:**
- a) Number & Nominal Value:
  - b) Group:
  - c) Registered or Bearer:
  - ç) Whether Privileged or not, and if so, Nature of Privileges:
- 7. Information on Takeover Bid Price:**
- a) Takeover bid price offered for a share with a nominal value of 1 TL:  
*(If any, the takeover bid price payable for the shares included in group or groups not covered by the transfer of shares leading to the obligation to make a takeover bid is also required to be disclosed separately.)*
  - b) Method of determination of takeover bid price:  
*(If any, the method of determination of the takeover bid price payable for the shares included in group or groups not covered by the transfer of shares leading to the obligation to make a takeover bid is also required to be disclosed separately.)*
  - c) Payment terms of takeover bid price:  
*(Cash, securities, or partially cash and partially securities. For payments through securities, the unit price or exchange rate applicable for the subject securities, and the method employed for determination of such unit price or exchange rate must also be disclosed.)*
- 8. Information on Funds To Be Used For financing for the bid:**
- a) Source of fund:
  - b) Amount of fund:
- 9. Information on Strategic Plans of Offerors of Takeover Bid With Regard to Target Corporation:**
- (Information should be given on sales and leasing of tangible assets, projected investments, changes projected in management and accounting organization of the corporation, changes in business activities or employment conditions of employees of the corporation, changes in fields and places of activity and in operations and marketing areas of the target corporation, whether a decision of merger with or acquisition by another company or other companies will be taken or not, and rights and interests to be provided to directors and other executives.)*



**10. Information on Investment Firm Acting as a Broker in Takeover Bid:**

a) Company Name:

b) Address:

c) Telephone Number:

d) Fax Number:

**11. Processes and Procedures Applicable in Takeover Bid:****12. Starting and Ending Dates of Takeover Bid:**

Starting Date and Time of Takeover Bid Ending

Date and Time of Takeover Bid:

For How Many Days the Takeover Bid Will Remain Open: Takeover bid process will terminate within [.....] days following its starting date.

**13. Governing Law and Jurisdiction Enforceable in Agreements To Be Signed Between Offeror and Shareholders of Target Corporation as a Result of Takeover Bid:****14. If any, Opinions of Other Public Entities on Takeover Bid:****15. Other Information:****16. Signature**

<b>Natural Persons / Legal Entities Making the Takeover Bid (If a legal entity, officials thereof)</b>  <b>Name &amp; Surname, Position, Signature, Date</b>	<b>Officials of Investment Firm Acting as a Broker of Takeover Bid</b>  <b>Name &amp; Surname, Position, Signature, Date</b>

<sup>1</sup> Natural persons or legal entities who directly or indirectly hold 5% or more of shares will be shown separately.

<sup>2</sup> Natural persons or legal entities who directly or indirectly hold 5% or more of shares will be shown separately.

<sup>3</sup> Natural persons or legal entities who directly or indirectly hold 5% or more of shares will be shown separately.

**ANNEX-2****INFORMATION AND DOCUMENTS REQUIRED TO BE INCLUDED IN TAKEOVER BID APPLICATIONS**

- (1) Agreement (if any) relating to purchase of shares leading to a mandatory takeover bid, and other agreements associated with that agreement, and if these agreements are drafted in a foreign language, their Turkish translations translated by a sworn translator;
- (2) Takeover bid information form;
- (3) Brokerage contract;
- (4) If the offeror is a legal entity, information on its fields of business, shareholding structure, directors, etc.; and if the offeror is a natural person, information on T.R. identity number, residence address, detailed curriculum vitae, communication data, and companies under his management;
- (5) Information on determination of takeover bid price;
- (6) If and when deemed necessary in this Communiqué, assessment report relating to determination of takeover bid price; and
- (7) Other information and documents to be requested by the Board.

**List regarding the amendments to the Communiqué:**

- 1- Communiqué (II-26.1.a) amending the Communiqué On Takeover Bids (II-26.1) was published in the Official Gazette dated 27/02/2015 and numbered 29280.
- 2- Communiqué (II-26.1.b) amending the Communiqué On Takeover Bids (II-26.1) was published in the Official Gazette dated 05/06/2018 and numbered 30442.
- 3- Communiqué (II-26.1.c) amending the Communiqué On Takeover Bids (II-26.1) was published in the Official Gazette dated 02/01/2019 and numbered 30643.

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