

NEW REGULATION ON DISCLOSURE OF INFORMATION TO ISSUERS

New regulation adopted by Merkezi Kayıt Kuruluşu A.Ş. has brought amendments to the scope and procedures regarding the disclosure of beneficiary ownership information to issuers.

On 2nd February 2021, Merkezi Kayıt Kuruluşu A.Ş. (*central securities depository of Turkey*, “**MKK**”) has published the Regulatory Letter No. 916 and adopted the Regulation on the Procedures and Principles on Sharing Beneficiary Ownership Information with Issuers (“**Recent Regulation**”) which replaces the Regulation on the Procedures and Principles on the Information and Data to be Disclosed to Issuer Companies for Promotional and Similar Benefit Deriving Purposes (“**Previous Regulation**”).

The Recent Regulation, parallel to its predecessor, does not cover the disclosure of shareholding or beneficiary ownership information by MKK to issuers for the purposes relating to the issuers’ regulatory obligations and the issuers’ obligation to inform investors; as such matters are regulated with separate regulations issued by MKK.

The Recent Regulation has brought the following amendments with regards to the disclosure of shareholding and beneficiary ownership information with issuers:

- a) The Recent Regulation adds “investment funds” to the definition of “issuer” in addition to the issuers as defined in Article 3/1/h of the Capital Markets Law No. 6362;
- b) Unlike the Previous Regulation, the scope of the Recent Regulation is not limited to the disclosure of information for promotional or similar benefit deriving purposes, save for the disclosures of information which relate to the issuers’ regulatory obligations and informing investors;

- c) The Recent Communiqué states that issuers may request the corporate title and communication information of only foreign corporate clients;
- d) The Recent Communiqué limits the disclosure of information regarding beneficiary ownership on shares accordingly, such information may only be requested by issuers of which the shares are traded in the Star Sub-Market and Main Sub-Market of the Equity Market of Borsa İstanbul A.Ş.;
- e) The Recent Communiqué adds an undertaking regarding compliance with personal data protection rules to the required documents to be provided by issuers as part of their requests.

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