



Turkey: Registration of Commercial Enterprises Owned by Ordinary Partnerships

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I. Introduction (Brief information on the Turkish law concepts of commercial enterprise, ordinary partnership and the legislation)

Under the Turkish Commercial Code, a commercial enterprise is defined as an enterprise, operating continuously and independently, aiming to generate income which exceeds the income thresholds stipulated for tradesman (“*esnaf*” in Turkish) enterprises.

Pursuant to Communiqué numbered 2009/2 on the Registration of Commercial Enterprises Owned by Ordinary Partnerships (“**Communiqué No.2009/2**”), commercial enterprises managed by ordinary partnerships of two or more legal entities, can be registered in the trade registry upon the request of their partners, provided that the establishing agreement of the enterprise is realized in writing and notarized thereafter.

II. Scope of Registration

Pursuant to Communiqué No.2009/2, the mandatory content for the establishment agreement of the commercial enterprise is as follows;

- a. The commercial titles, address and authorized representatives of the legal entity partners of the ordinary partnership managing the commercial enterprise to be registered,
- b. The main aim of the ordinary partnership which is the management of the commercial enterprise,
- c. The title, address, scope and term of the commercial enterprise,
- d. The authorized representatives of the commercial enterprise and,
- e. The “pilot” or leader partner of the commercial enterprise

It is important to note that in addition to the foregoing, information such as the date of establishment, and MERSIS (Central Registration System) number of the commercial enterprise will have to be submitted during the online registration application. Despite the fact that the capital allocated for the commercial enterprise is not a mandatory field on the online registry application carried out through MERSIS, the trade registry deems capital subscription necessary as the “pilot” or leader partner of the commercial enterprise is determined accordingly.

III. Conditions for Registry

Communique No.2009/2 explicitly stipulates that the establishing agreement of the commercial enterprise needs to be carried out in writing and notarized in order to be registered. In addition to the foregoing structural requirement, the following material conditions should be met in order for the registry:

- a. Managing ordinary partnerships should consist of at least two commercial companies,
- b. The commercial enterprise should be jointly managed,
- c. The commercial enterprise should be managed by at least one ordinary partnership, and
- d. An application to the trade registry should be filed for the registration of the commercial enterprise.

In addition to the notarized agreement the trade registry requires additional supporting corporate documents such as registration petition, chamber registration declaration, filled out form of establishment regarding the commercial enterprise and the signature declarations of the commercial enterprise's authorized representatives.

The establishing agreement concerning the commercial enterprise will be registered at the trade registry located at the address stipulated under the agreement and will be announced in the trade registry gazette thereafter.

Registration can be removed pursuant to the removal application to be filed by the partners of the ordinary partnership by submitting a notarized petition for removal or upon the termination of the commercial enterprise agreement provided that sufficient documentation is provided certifying the termination.

IV. Conclusion

In light of the foregoing, given the abundance of commercial enterprises in a wide range of industries, Communique No.2009/2 allows some additional legal protection to the ordinary partnerships formed by capital companies.

The registration and announcement of certain substantial matters of the commercial enterprise such as its address, authorized representatives, the main area of practice, commercial title and such, improves commercial credibility and transparency.

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