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Preface to the September 2026 Issue

The September 2026 issue of Legal Insights Quarterly was prepared to provide an extensive look into the upcoming legal issues, as well as the foremost contemporary legal agenda in Türkiye.

The Corporate Law section examines shareholder default on capital contribution obligations in joint stock companies and reviews a recent Constitutional Court decision facilitating shareholder expulsion in deadlocked two-shareholder limited liability companies. The Banking and Finance Law section examines the governance, duties, and liabilities of boards of directors of payment and electronic money institutions. The Capital Markets Law section reviews the regulatory framework for share buy-backs by publicly traded companies.

The Competition Law section examines recent Turkish Competition Board decisions on merger control, individual exemption, and cartel facilitation. It reviews the Bupa/Ortus decision, focusing on conglomerate effects arising from the combination of health insurance and remote healthcare software services, the TOFAŞ/BPF decision on vertically affected markets, the Şişecam decision on individual exemption and restrictive dealership arrangements, and the True Danışmanlık decision concerning the liability of a third-party service provider as a cartel facilitator.

The Dispute Resolution section reviews a recent Constitutional Court decision annulling the blanket statutory non-liability afforded to electronic marketplace providers, focusing on the balance between consumer protection and marketplace operators' property rights.

The Data Protection Law section examines the Constitutional Court's Viennalife Emeklilik ve Hayat A.Ş. decision concerning the processing of publicly disclosed personal data and the imposition of administrative fines under Law No. 6698. The Internet Law section analyses Türkiye's Artificial Intelligence Action Plan for the 2026–2030 period as an emerging policy framework for artificial intelligence governance and digital sovereignty. The Telecommunications Law section evaluates the Information and Communication Technologies Authority's 2025 Activity Report, highlighting developments concerning electronic signatures and trust services, ".tr" domain-name governance and TRABIS, electronic identity verification, and ICTA's growing supervisory and enforcement activity. The Compliance section turns to the European Union's new Anti-Corruption Directive, examining its harmonized framework for public and private sector corruption offences, corporate liability, turnover-based sanctions, and the increasing importance of effective compliance programs.

Furthermore, the Employment Law section examines a recent Constitutional Court decision concerning unquantifiable employment claims and the right of access to court. Finally, the IP Law section reviews a recent High Court of Appeals decision concerning copyright protection for translated book titles, focusing on the circumstances in which a translator's original and distinctive expression may qualify for independent protection under the Law on Intellectual and Artistic Works.

September 2026

Corporate Law

The Cost of Unpaid Capital: Shareholder Default and Forfeiture under the Turkish Commercial Code

I. Introduction

The obligation to contribute capital constitutes the cornerstone of the corporate structure of joint stock companies. A joint stock company is a capital company, and capital constitutes one of the most fundamental elements for carrying out its business activities. Given that creditors rely on the integrity of a company's capital as a source of protection, Turkish corporate law imposes strict rules regarding the fulfilment of capital commitments. This article examines the legal consequences arising from the failure of shareholders to perform their capital contribution obligations, with particular focus on default remedies and the forfeiture mechanism under the Turkish Commercial Code.

II. Scope of the Share Capital Contribution Obligation

Capital represents the monetary value corresponding to the assets that shareholders commit to the company to achieve its corporate purpose. The entire committed capital must be stated as a fixed amount in the articles of association.

Article 480/1 of the Turkish Commercial Code ("**TCC**") provides that save for the exceptions prescribed by law, a shareholder may not be subjected, through the articles of association, to any obligation other than the payment of the share price or the share premium. Therefore, the sole obligation of a shareholder in a joint stock company is the obligation to fulfill its share capital contribution commitment. This principle reflects the fundamental characteristics of joint stock companies that shareholders are generally protected from additional obligations beyond their agreed capital commitments. Consequently, the fulfilment of the capital contribution obligation becomes the primary mechanism through which shareholders participate in the financing of the company.

The time for performance of the capital contribution obligation is regulated under Article 344 of the TCC. Pursuant to the said provision, - unless there is a share capital loss - at least twenty-five percent of the nominal value of shares subscribed to in cash must be paid before the registration of the company or capital increase, while the remaining balance must be paid within twenty-four months following the registration of company or capital increase. In addition, any share premium amount (if any) must be paid in full before registration of the share capital.

While the exact due date for the outstanding balance can be freely determined in the articles of association within this twenty-four-month period (as per Article 481 of the TCC), if no specific date is set, the board of directors may also determine it via public notice. Such notice must indicate the amount or proportion of the capital contribution requested, the payment date and the place where payment is to be made. Only the amount specified in the notice or in the registered letter becomes due and the remaining unpaid capital contribution does not become due.

It should be noted that there are specific rules applicable in case there is a share capital loss as provided under Article 376 of the TCC and in that case more than half of the share capital increase amount would need to be paid by the shareholder before registration of the share capital increase.

III. Shareholders' Default and Consequences

If a shareholder fails to pay its share capital contribution on the date stipulated in the articles of association or in the payment notice issued by the board of directors, the shareholder shall be deemed to be in default. Where a shareholder falls into default, the company is granted the alternative remedies of the general remedies, such as claiming damages, default interest and contractual penalties, and the joint stock company-specific forfeiture procedure. These remedies are intended to compensate the company for losses arising from delayed financing while preserving the company's ability to continue its operations without interruption.

a. *General Remedies*

Article 482 of TCC provides that, where a shareholder defaults on its capital contribution obligation, default interest, damages and contractual penalties may be imposed as sanctions. Accordingly, a defaulting shareholder is liable to pay default interest to the company without the need for any notice. Since the obligation to pay default interest arises directly by law, a shareholder in default must pay default interest even if such interest has not been stipulated in the articles of association.

Additionally, if the articles of association include a contractual penalty, such penalty can also be claimed from the shareholder provided that the board of directors of the company serves a formal notice against the shareholder in default (Article 483/1 of the TCC). This formal notice shall state that the defaulting shareholder must pay the overdue amount within one month; otherwise, the shareholder will forfeit the rights attached to the relevant shares and the contractual penalty will be claimed.

The company may also claim damages from the defaulting shareholder by providing a formal notice as per Articles 482/4 and 128/7 of TCC.

Finally, it should be noted that, since the company is granted alternative remedies against a shareholder in default, although there are different views in legal doctrine, one view argues that where the forfeiture sanction described below is applied, the company may no longer claim default interest, contractual penalty or damages.[1] Indeed, the Court of Cassation has adopted an approach consistent with this doctrinal view in one of its decisions.[2]

b. *Forfeiture*

Among the remedies available to the company, forfeiture is considered the most drastic measure. Unlike default interest or damages, which merely aim to compensate the company, forfeiture directly affects the shareholder's ownership status by depriving the shareholder of rights attached to the relevant shares.

Forfeiture is a mechanism specific to joint stock companies. Owing to its severe consequences, it is governed by mandatory provisions to prevent arbitrary application. Pursuant to Articles 482 and 483 of TCC, the authority to conduct the forfeiture procedure and adopt the forfeiture decision rests with the board of directors, but they must strictly observe the principle of equal treatment.

[1] Göle, a.g.e., s.119.
[2] Yargıtay 11. HD. E. 2007/12223 K. 2009/1906 T. 20.02.2009

i. **Forfeiture Notice:** Implementing a forfeiture decision requires a second specific notice -the forfeiture notice- in addition to the initial default notice (Article 483 of the TCC). This notice must grant the shareholder one month to pay the overdue amount. It must also state that if payment is not made within the prescribed period, the shareholder's shares will be forfeited. Furthermore, it must specify the shares to which the unpaid capital contribution relates, the amount due and the place of payment.

   Accordingly, as per Article 483 of the TCC board of directors shall serve the notice on the defaulting shareholder by publication in the Turkish Trade Registry Gazette and in the manner prescribed by the articles of association, together with a notice published on the company's website. However, in the case of registered share certificates, such notice and demand shall be made, instead of by publication, by registered mail with a return receipt and through a notice published on the company's website.

   Where the notice is served by registered mail, the one-month period commences on the date the registered letter is received (Article 483/2 of TCC). Where the notice is made by publication, the one-month period begins on the date of publication. If there is a time difference between publications, the period starts from the later publication date.[3]

ii. **Forfeiture Resolution:** For the forfeiture procedure to be completed, the board of directors must adopt a forfeiture resolution. TCC does not prescribe any specific form for such resolution. This resolution shall be notified to the shareholder to become effective and produce legal consequences once it reaches the shareholder.

iii. **Consequences of Forfeiture:** The primary consequence is that the defaulting shareholder loses shareholder rights attached to the shares in respect of which the default has occurred. Default also authorizes the board of directors to sell shares of the defaulting party to a third party, to revoke the share certificates delivered to the defaulting shareholder and to replace its shareholding status with a third party. According to the prevailing view in legal doctrine, following the forfeiture resolution, the board of directors should request the shareholder to return the share certificates and grant a short period for their return. If the shareholder fails to return them within the prescribed period, the board of directors is deemed to have resolved to cancel them and must publish this cancellation in the Turkish Trade Registry Gazette (Article 482/2 of the TCC).

   A further consequence of forfeiture is that the partial payments previously made by the shareholder towards the capital contribution obligation are not refunded to the shareholder. Instead, they are transferred to the company's general statutory reserve (Article 519/2(b) of TCC). Accordingly, the shareholder may not claim reimbursement of such partial

[3] Değirmenci, a.g.e., s.50.

payments on any legal basis, including unjust enrichment.[4]

Finally, it should be noted that forfeiture does not completely terminate the legal relationship between the defaulting shareholder and the company. If the board sells the forfeited shares to a new shareholder at their nominal value and the price is not paid in full, the defaulting shareholder remains liable to the company for the outstanding balance (Article 483/3 of the TCC).

Breaking the Deadlock: Shareholder Expulsion in Two-Shareholder Limited Liability Companies

The Constitutional Court ("***Court***") has landmarked a new era for two-shareholder limited liability companies ("***Company***") by eliminating a long-standing statutory barrier that made shareholder expulsion practically impossible. The Court paved the way for deadlocked two-shareholder companies to expel a disruptive shareholder through direct judicial recourse without being forced into corporate dissolution through annulment of the restrictive quorum and general assembly resolution requirements. The Court - by its decision dated December 25, 2025 (Numbered 2025/128 E., 2025/273 K.), published in the Official Gazette on March 17, 2026 ("***Decision***") - annulled Article 616/1-(h) of the Turkish Commercial Code No. 6102 ("***TCC***") and the phrase "File a lawsuit for expulsion of a shareholder for just cause…" in Article 621/1-(h) of the TCC insofar as they apply to two-shareholder Companies.

Prior to the Decision, two-shareholder Companies were bound by the procedural and quorum barriers under Articles 616 and 621 of TCC and the substantive framework for a shareholder expulsion in Companies rooted in Article 640 of TCC.

The said general framework, regulates two separate mechanisms for the expulsion of a shareholder from the Company:

i. **General Assembly Resolution:** Under Article 640/1 of TCC, if objective just causes are explicitly defined in the Company's articles of association, a shareholder may be expelled via a general assembly resolution.

ii. **Court Order:** Pursuant to Article 640/3 of TCC, where just causes exist, the Company may file a lawsuit for the expulsion of a shareholder from the Company. Under Article 616/1-h of TCC, initiating such a lawsuit is listed among the non-delegable powers of the general assembly. Accordingly, the general assembly resolution must be adopted by the Company to file an expulsion lawsuit.

In both procedures, a general assembly resolution must be adopted by the Company to resort to the expulsion mechanism. Such resolutions are regulated among the significant general assembly resolutions under Article 621/1-h of the TCC and required an aggravated quorum: at least 2/3 (two-thirds) of the represented votes and the absolute majority of the entire voting share capital. Although these aggravated quorums were designed to protect minority shareholders in multi-shareholder structures, they created a severe mathematical impossibility in two-shareholder Companies. Since the shareholder targeted for expulsion retained

[4] Göle, a.g.e., s.125; Tekinalp (Poroy/Çamoğlu), Ortaklıklar II, N.1073.

voting rights, achieving a 2/3 (two-thirds) majority was practically impossible in two-shareholder Companies. Consequently, this mathematical impossibility gave rise to an inevitable corporate deadlock.

Prior to the Decision, the only available remedy for this deadlock was the total dissolution of the Company under Article 636/3 of TCC. The Court found the dissolution mechanism unconstitutional and to resolve this structural issue, the Decision ruled that the aggravated quorum and non-delegable general assembly resolution requirements should no longer apply to lawsuits filed for the expulsion of a shareholder in two-shareholder Companies.

Following the Decision, in practice, when just cause arises, the aggrieved shareholder is no longer blocked by the general assembly veto from initiating a lawsuit regarding expulsion of the disruptive shareholder without needing a prior general assembly resolution. This amendment aims to eliminate corporate deadlocks and enable viable two-shareholder Companies to maintain their legal existence.

In its review, the Court emphasized that the said provisions regulated under TCC violated freedom of enterprise and protection of fundamental rights and freedoms regulated under Articles 48 and 40 of the Constitution. Under Article 640/3 of TCC, expelling a shareholder for just cause is a vital survival mechanism designed to preserve a business without terminating its legal existence. However, the Court observed that requiring an aggravated general assembly quorum made this remedy impossible for two-shareholder Companies.

Furthermore, the Court found the alternative remedy—filing for corporate dissolution under Article 636/3—to be entirely inadequate. In a dissolution lawsuit, judicial discretion can counterproductively result in expelling the innocent plaintiff shareholder by paying out their shares, leaving the disruptive shareholder in full control of the Company. Thus, the Court concluded that depriving two-shareholder Companies of a direct expulsion mechanism leaves them without effective legal protection. To maintain corporate continuity and the freedom of enterprise, the Court annulled these restrictive quorum barriers exclusively for two-shareholder Companies.

Banking and Finance Law

The Power Behind Payment and Electronic Money Institutions: The Board of Directors

I. Introduction

Payment institutions authorized to provide payment services and electronic money institutions authorized to issue electronic money (collectively referred to as the "***Institutions***") are primarily governed by Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions ("***Law No. 6493***") and the Regulation on Payment Services, Electronic Money Issuance and Payment Service Providers ("**Regulation**") issued by the Central Bank of the Republic of Türkiye ("***CBRT***"). In addition, regulations issued by the Financial Crimes Investigation Board ("***MASAK***") also set forth certain requirements applicable to such institutions.

This article examines the structure of the board of directors of the Institution and the specific duties, responsibilities and liabilities imposed upon the board of directors under applicable legislation.

II. Structure of the Board of Directors in Payment and Electronic Money Institutions

Pursuant to the Regulation, the board of directors of an Institution must consist of at least three (3) members, including the general manager. The general manager serves as a natural member of the board of directors.

The Regulation further prescribes certain qualifications for serving as a board member of an Institution. Accordingly, a board member must **(i)** not be bankrupt, not have declared a concordat, not have had a restructuring application by way of settlement approved and not have been subject to a decision postponing bankruptcy; **(ii)** not hold a qualified shareholding in or exercise control over any financial institution, bank or credit institution specified under Banking Law No. 5411; and **(iii)** not have been convicted of any of the offences listed in Banking Law No. 5411.

The Regulation also contains specific provisions aimed at safeguarding the independence of board members. Accordingly, internal control personnel and risk management personnel serving within the Institution's organizational structure, as well as the board member to whom such personnel report, must not be the spouse of the general manager or of any other board member, nor may they be related to such persons by blood or marriage up to and including the third degree.

Finally, any changes concerning the appointment, election, dismissal or resignation of board members must be notified to the CBRT within twenty (20) business days following the completion of the Institution's internal procedures, without waiting for the completion of registration or publication formalities relating to such changes.

III. Duties and Responsibilities of the Institution's Board of Directors

Article 23 of the Regulation expressly sets out the scope of the board of director's responsibilities. Accordingly, the board of directors of the Institution is primarily responsible for: **(i)** determining the Institution's organizational structure and human resources policy, as well as the authorities and responsibilities of its personnel; **(ii)** establishing, in writing, the strategies, policies and implementation procedures governing the activities of the internal control and risk management units and ensuring their effective implementation; **(iii)** determining the policies relating to the management of information systems and establishing and implementing control mechanisms to ensure their effective operation; **(iv)** establishing a system that ensures customer complaints are properly evaluated and responded to and that fraudulent and malicious activities are identified and prevented, while ensuring that the necessary measures are taken in relation to matters giving rise to complaints; **(v)** determining the principles and procedures regarding the protection of funds, as well as the internal control and risk management procedures relating thereto; **(vi)** establishing the principles and procedures to ensure that the representatives through whom the Institution provides payment services via electronic or physical channels possess integrity, competence, financial strength, professional reputation and such other qualifications as may be deemed necessary; **(vii)** monitoring and supervising the activities of such representatives and **(viii)** preparing workflow plans covering all stages of the activities to be carried out, together with the necessary explanations.

Furthermore, the board of directors of the Institution is also responsible for maintaining the information systems that enable the payment service provider to fulfil its statutory data processing obligations in the course of carrying out payment service activities. The board of directors shall perform this duty in accordance with the provisions of the Communiqué on Information Systems of Payment and Electronic Money Institutions and Data Sharing Services in the Field of Payment Services by Payment Service Providers ("***Information Systems Communiqué***") issued by the CBRT. In addition, the board of directors is required to prepare a management statement for each audit period regarding the internal controls established in compliance with the provisions of the Information Systems Communiqué.

Lastly, as the Institutions qualify as an "obliged party" under the Regulation on Compliance Programs Regarding Obligations on the Prevention of Laundering Proceeds of Crime and Financing of Terrorism ("***Compliance Regulation***"), they are required to establish a compliance programme. Within the scope of such programme, the board of directors is responsible for supervising risk management, monitoring, control and audit activities. The board of directors also bears ultimate responsibility for ensuring that the compliance programme is implemented as a whole in an adequate, effective and efficient manner, taking into account the scope and characteristics of the Institution's activities.

In this context, the board of directors is responsible for **(i)** appointing a compliance officer and determining in writing the authority and responsibilities of the compliance unit in a clear manner; **(ii)** evaluating the results of the risk management, monitoring, control and audit activities carried out within the scope of the compliance programme and taking the necessary measures to remedy any identified deficiencies and shortcomings in a timely manner; and **(iii)** ensuring that all compliance activities are performed effectively and in a coordinated manner.

IV. Liabilities of the Institution's Board of Directors

The applicable legislation also sets out the circumstances under which members of the board members may incur civil or criminal liability, together with the sanctions imposed for non-compliance.

Firstly, pursuant to the Regulation, board members who disclose, without authorization, any confidential information relating to the Institution or its customers that they have obtained by virtue of their office, even after leaving such office, to persons other than those expressly authorized by law, shall be punished with imprisonment for a term of one to three years and a judicial fine of up to one thousand days. Furthermore, board members who, by reason of their office, misappropriate for their own benefit or for the benefit of another person any money, documents, negotiable instruments or other assets representing money that have been entrusted to them or placed under their possession, custody or supervision shall be punished with imprisonment for a term of six (6) to twelve (12) years and a judicial fine of up to five thousand days, and may additionally be held liable to compensate the losses suffered by the Institution. The daily amount of the judicial fine ranges between TRY 20,000 and TRY 100,000 *(approx. EUR 400 - EUR 2,000) as* per the Turkish Criminal Code and is to be decided upon by the courts. The severity of the sanctions applicable to board members reflects the importance of their responsibilities.

Furthermore, according to the Compliance Regulation, where board members breach their obligations to establish training, internal audit, internal control and risk management systems, they are first served a written notice granting them a period of not less than thirty (30) days to remedy the deficiencies. Should such deficiencies not be remedied within the prescribed period, an administrative monetary fine shall be imposed. In addition, when members of the board of directors breach their obligations concerning **(i)** the reporting of suspicious transactions, **(ii)** the provision of information and documents and **(iii)** the retention of documents, they shall be subject to imprisonment for one to three years and a judicial fine of up to five thousand days.

Lastly, from a corporate law perspective, board members of the Institutions are also subject to the civil liability provisions of the Turkish Commercial Code No. 6102 ("***TCC***"). Pursuant to Article 553/1 of the TCC, board members may be held personally liable with their personal assets against the (i) company, (ii) shareholders and (iii) company's creditors for the damages they incur as a result of breach of their obligations arising out of the law and articles of association by fault. Both fault and damage elements must occur in order to hold the members of the board of directors liable.

Capital Markets Law

Acquisition of Own Shares by Publicly Traded Companies: Communiqué on Buy-Backed Shares

I. Introduction

The acquisition or pledge of own shares by joint stock companies is regulated under Article 379 of the Turkish Commercial Code No. 6102 ("***TCC***"). For public companies, the authority to regulate such transactions has been granted to the Capital Markets Board ("***Board***") under Article 22 of the Capital Markets Law No. 6362 ("***CML***"). Within the scope of this authority, the Board has set out the procedures, principles and restrictions applicable to buy-back processes under the Communiqué on Buy-Backed Shares No. II-22.1 ("***Communiqué***"). This article mainly focuses on the buy-back process applicable to publicly traded companies.

II. Buy-Back Process and Authorization of the Board of Directors

a. Principles of Authorization: Pursuant to Article 5 of the Communiqué, in order for a buy-back transaction to be carried out, the board of directors must be authorized by the general assembly. Such authorization is granted through the approval, at the general assembly meeting, of the buy-back program prepared by the board of directors in accordance with the provisions of the Communiqué.

Unless more aggravated quorums are provided under the articles of association of the company, the general assembly convenes with the presence of shareholders, or their representatives, holding shares corresponding to at least one-fourth of the share capital, and resolutions are adopted with the majority of the votes present at the meeting.

b. Exceptions to Authorization: Companies whose shares are traded on the stock exchange may carry out share buy-back by a board of directors' resolution, without the authorization of the general assembly, in order to avoid an imminent and serious loss. A buy-back carried out without the approval of the general assembly remains valid until the first general assembly meeting of the company.

An imminent and serious loss is deemed to exist where, within the last month as of the date of the board of directors' resolution, the daily weighted average price of the company's shares has either (i) remained below their nominal value or (ii) decreased by more than twenty percent.

c. Duration and Mandatory Elements of A Buy-Back Program: Pursuant to Article 7 of the Communiqué, the duration of the buy-back program may be maximum of 3 (three) years for publicly traded companies. Where no duration is specified in the buy-back program, the program remains in force for the applicable maximum period.

As per Article 8 of the Communiqué, fundamental characteristics of a buy-back program are as follows:

- Purpose of buy-back;
- If any, duration of buy-back program;
- Maximum number of shares to be acquired;
- That the program will be terminated when the maximum number of shares to be acquired is reached;
- Proportionate or fixed lower and upper price limits determined for to-be-acquired shares by indexing to a particular indicator, and in the case of transactions requiring correction of the price, how such transactions will be taken into consideration;
- If determined, disposal principles of buy-backed shares throughout the program;
- Total amount and source of the fund set aside for acquisition;
- Number, and ratio to capital, of the buy-backed shares and not disposed of yet, and if any, results of the previous program;
- Explanations on probable effects of buy-back program on the company's financial situation and on the results of its activities;
- Information on subsidiaries, if any, which may acquire shares under the program;
- Information on the highest, lowest and weighted average share prices of the last year and the last quarter;
- Benefits to be obtained by related parties, if any, from this transaction.

III. Restrictions Applying to Buy-Back Transactions

a. Financial, Temporal, and Transactional Restrictions:

(i) Volume and Fund Limits: The nominal value of buy-backed shares, including prior acquisitions, cannot exceed 10% of the company's paid-in or issued capital. Furthermore, the total fund allocated cannot exceed the resources available for dividend distribution.

(ii) Inside Information & Capital Increases: No buy-back or sale may occur if there is undisclosed inside information whose disclosure has been postponed under material event regulations. Similarly, no buy-back or sale may be carried out from the date of the general assembly resolution on a capital increase (or, for companies operating under the registered capital system, from the date of the board of directors' resolution on the capital increase) until the completion of the capital increase process.

(iii) Market Sales Prohibitions: During an active buy-back program or an "imminent loss" period, shareholders holding management control (as defined in Article 26/2 of CML), persons discharging managerial responsibilities and their closely related parties are strictly prohibited from selling company shares on the stock exchange.

(iv) IPOs: During an initial public offering, the company and/or its subsidiaries are prohibited from purchasing the company's own shares under the Communiqué. Any breach of this prohibition is treated as an unlawful subscription of own shares under Article 388 of TCC.

b. *Transaction Principles:*

To prevent market manipulation, Article 15 of the Communiqué imposes additional strict operational rules on companies:

(i) Orders cannot be placed under the buy-back program during opening sessions, the last 15 minutes of the first session, or the opening/closing periods of the second session.

(ii) Buy-back limit orders cannot exceed the current independent market quotations or the last realized sale price.

(iii) Daily buy-back volume cannot exceed 25% of the average trading volume of the preceding 20 trading days (up to 50% for low-liquidity shares subject to Board approval).

IV. Public Disclosure Obligations and Legal Status of Buy-Backed Shares

a. Public Disclosure Obligations of Companies Whose Shares Are Traded on the Stock Exchange:

(i) Pre-Transaction: The buy-back program must be disclosed at least 3 weeks prior to the date of the general assembly meeting. For "imminent loss" buy-backs, a disclosure stating the purpose, volume, and maximum fund must be made at least 2 business days before execution.

(ii) During the Process: A disclosure must be made 2 business days prior to starting the actual trading period. Subsequently, each individual buy-back or disposal transaction must be reported on the following business day before the session starts.

(iii) Post-Transaction: Within 3 business days following the completion or expiry of the program, a comprehensive summary of the total cost, funding sources, and share ratios must be disclosed and presented at the first general assembly.

b. Status of Rights Attached to Buy-Backed Shares:

Pursuant to Article 18 of Communiqué, buy-backed shares are excluded from the calculation of the quorum at the general assembly. Buy-backed shares held by the company, including any bonus shares acquired in respect thereof, do not confer any shareholder rights other than the rights to receive bonus shares, dividends and pre-emptive rights. In addition, where a subsidiary acquires shares in its parent company, the voting rights and other rights attached thereto are automatically suspended. Such suspension applies only for as long as the shares are held by the company or its subsidiary, and the relevant shareholder rights automatically revive upon their transfer to third parties.

c. Disposal and Redemption of Buy-Backed Shares:

Pursuant to Article 19 of the Communiqué Shares acquired in full compliance with the rules may be held indefinitely. However, the shares acquired in violation of the Communiqué must be disposed of within 1 year or otherwise redeemed via a capital reduction. In addition, except for the acquisitions referred to in Article 16/1-a, any portion of buy-backed shares exceeding %10 of company's paid-in or issued share capital must be sold within 3 years or face immediate redemption. While disposal must generally occur on the stock exchange, exceptions exist for employee share options and convertible instruments. Non-compliance does not invalidate the transaction but triggers the legal liability of the board of directors.

V. Conclusion

The Board's Communiqué No. II-22.1 establishes a balanced legal mechanism for publicly traded companies in Türkiye. While it provides corporations with the financial flexibility to stabilize share prices against market volatility—particularly through the "imminent and serious loss" exception—it simultaneously safeguards market integrity. By imposing strict volume limits, trading windows, temporary insider sales bans, and rigorous public disclosure schedules, the framework mitigates the risks of market manipulation and insider trading, ensuring transparency and bolstering investor confidence in the Turkish capital markets.

Competition / Antitrust Law

Türkiye's Poultry Cartel Case Tests the Interface Between Competition Law and Criminal Law

I. Introduction

On 12 June 2026, the Turkish Ministry of Justice announced that a criminal investigation had been launched against companies and executives active in the Turkish poultry (white meat) sector, on the grounds that their conduct distorted the functioning of the market, caused unjustified price increases, and harmed consumers. Simultaneous operations were carried out in eight provinces, coordinated from Istanbul and extending to Ankara, Balıkesir, Bolu, Bursa, İzmir, Samsun and Uşak, under the direction of the Istanbul Chief Public Prosecutor's Office. According to the announcements, detention, search and seizure measures were applied in respect of 32 suspects identified as company managers and officers.[5]

As part of the same investigation, supervisory trustees (denetim kayyımı) were appointed to thirteen companies: Banvit, Akpiliç, Bakpiliç, Aspiliç, Bupiliç, Erpiliç, Gedik Pazarlama, Hastavuk, Keskinoğlu, Şenpiliç, Orvital, Aypi and Lezita. The stated purpose of the trustee appointments is to ensure that the basic food supply chain is not disrupted and that commercial activities continue in a lawful, transparent and auditable manner while the investigation proceeds.

II. The Legal Basis: Articles 237 and 220 of the Turkish Criminal Code

The investigation, conducted by the Organized Crimes Investigation Bureau[6] of the Istanbul Chief Public Prosecutor's Office, is reported to rest on three legal grounds[7]: (i) the offense of influencing prices under Article 237 of the Turkish Criminal Code ("***TCK***"), (ii) the offense of establishing, managing or being a member of an organization formed for the purpose of committing crime under Article 220 of the TCK, and (iii) offenses of refraining from sale (hoarding) under the relevant legislation.

Article 237 of the TCK criminalizes the dissemination of false news or information, or resort to other deceptive means, with the aim and in a manner capable of causing an increase or decrease in workers' wages or in the value of foodstuffs or goods. The base sanction is imprisonment from one to three years together with a judicial fine, with the penalty increased by half where prices or wages are in fact affected. Two features of the provision deserve emphasis. First, the protected subject matter (wages, foodstuffs and goods) is defined very broadly. Second, the offense is not limited to the spreading of false information: the seemingly catch-all element of "***resorting to other deceptive means***" gives the provision a potentially wide field of application to commercial conduct affecting price formation.

The invocation of Article 220 alongside Article 237 is equally significant. Framing coordinated commercial conduct between competitors as the activity of a criminal organization places the investigation within the institutional machinery reserved for organized crime, with the procedural consequences that this entails.

III. The Competition Law Backdrop

What makes this development particularly noteworthy is its timing. The Turkish

[5] Per the Minister of Justice's statement of 12 June 2026 (reported by news agencies), measures were applied in respect of 32 suspects. Reports relaying the Istanbul Chief Public Prosecutor's Office's account indicate that 28 of the 32 were taken into custody in the simultaneous operations, with the remaining 4 still being sought as of publication. *See e.g.* *https://t24.com.tr/gundem/bakan-gurlek-duyurdu-8-ilde-beyaz-et-operasyonu-13-sirkete-kayyim-atandi,1328308; https://www.cumhuriyet.com.tr/turkiye/bakan-gurlek-duyurdu-beyaz-et-sektorunde-13-sirkete-kayyim-atandi-2511481; https://www.sozcu.com.tr/beyaz-et-devlerine-operasyon-13-sirkete-kayyum-atandi-p327279*.

[6] As reported by news agencies. *See* *https://www.cnnturk.com/turkiye/beyaz-ette-fahis-fiyat-operasyonu-32-gozalti-13-sirkete-kayyim-atandi-3429876; https://www.haberler.com/3-sayfa/beyaz-et-sektorunde-fiyat-manipulasyonu-28-gozalti-13-sirkete-kayyim-19939814-haberi/*

[7] As reported by news agencies. *See* *https://t24.com.tr/gundem/bakan-gurlek-duyurdu-8-ilde-beyaz-et-operasyonu-13-sirkete-kayyim-atandi,1328308;* *https://hukukihaber.net/beyaz-et-sektorune-sorusturma-13-sirkete-denetim-kayyimi-atandi*

Competition Board recently concluded a long-running investigation into the white meat sector. With its decision numbered 25-35/837-492 and dated 18.09.2025 (announced on 27.09.2025), the Board found that undertakings active in the sector had infringed Article 4 of Law No. 4054 on the Protection of Competition through the exchange of competitively sensitive information and imposed administrative fines on thirteen undertakings totalling approximately 3.7 billion TL (approx. EUR 77 million[8]) with several parties settling during the proceedings and one party cleared.[9]

Beyond the fines, the Board took the notable step of imposing vigorous behavioural remedies on the sector under Article 9(1) of Law No. 4054. Producers and suppliers in the white meat market were required to put updated sales prices (price lists) into effect from the moment they are announced to buyers, including resellers, and to terminate the practice of forward-dated price lists.

The criminal investigation thus follows, within months, a fully concluded competition enforcement action against largely the same group of companies, concerning essentially the same underlying market conduct. Indeed, the Minister of Justice expressly thanked the Competition Authority, alongside the Directorate General for Market Surveillance and Inspection and MASAK (the Financial Crimes Investigation Board), for their contributions to the criminal investigation.

IV. Why This Matters: A Critical Signal, Even If Not Yet a Confirmed Shift

Until now, the settled understanding, and the consistent practice, in Türkiye has been that competition law infringements are addressed through administrative sanctions imposed on undertakings, and do not give rise to criminal law consequences for the individuals involved except the collusion in public tenders. Türkiye, unlike a number of jurisdictions, does not have a dedicated criminal cartel offense, and Article 237 of the TCK has not historically functioned as a vehicle for prosecuting anticompetitive coordination.

Whether this investigation marks a genuine change of position is something that will only become clear as the proceedings unfold. It should be noted that a prosecutorial investigation is not a conviction, the suspects benefit from the presumption of innocence, and it remains to be seen how the courts will interpret the elements of Articles 237 and 220 in the context of conduct already examined and sanctioned under competition law. It is also too early to say whether this reflects a generalizable enforcement approach or a response to the specific circumstances of a sensitive food sector.

However, the sequence, a landmark competition decision with fines and behavioural remedies, followed by a criminal investigation against the executives of the same companies, run by an organized crimes bureau with trustee appointments and dawn raids across eight provinces may suggest that the assumption that competition law exposure in Türkiye

[8] According to the average monthly buying rate of the Central Bank of the Republic of Türkiye in September 2025 (1 EUR = 48.6 TL).

[9] Poultry (25-35/837-492; 18.09.2025). Announcement available at: *https://www.rekabet.gov.tr/tr/Guncel/beyaz-et-sektorunde-faaliyet-gosteren-te-41774c187a9bf01193e40050568549fa;* Reasoned decision available at: *https://www.rekabet.gov.tr/Karar?kararId=d4c36fa7-ef4c-4f6f-8754-ce9e121899ab*.

ends with the undertaking's administrative fine may need to be revisited in the future.

Turkish Competition Board's Bupa/Ortus Decision: Key Takeaways on Conglomerate Effects in Health Insurance

I. Introduction

The Turkish Competition Board ("***Board***") unconditionally approved Bupa Turkey Sağlık Hizmetleri AŞ's ("***Bupa***") acquisition of sole control of Ortus Yazılım AŞ ("***Ortus***"), a software supplier providing healthcare technology services.[10] The Board concluded that the transaction was subject to its approval as per Communiqué No. 2010/4 on Mergers and Acquisitions Requiring the Approval of the Competition Board ("***Communiqué No. 2010/4***"), but that it would not result in the significant impediment to effective competition within the meaning of Article 7 of Law No. 4054 on the Protection of Competition ("***Law No. 4054***"). The decision is noteworthy for the Board's evaluation of potential conglomerate effects arising from the combination of insurance services and healthcare software.

II. The Board's Assessment of the Relevant Market

Ortus is a software company that mainly develops remote healthcare software and provides the relevant technical infrastructure. Remote healthcare services involve video consultations between patients and physicians through software infrastructure, and prescriptions may also be issued through the same software.

[10] The Board's Bupa-Ortus decision dated 27.11.2025 and numbered 25-44/1084-613

The Board placed particular emphasis on the distinction between remote healthcare services and the underlying software infrastructure. The remote healthcare information system ("***RHIS***") is defined as secure software enabling written, audio or video communication, produced or registered by the Ministry of Health and approved for use in the provision of remote healthcare services. The Board also noted that software not approved by the Ministry of Health cannot be used for remote healthcare services. Importantly, the Board underlined that a RHIS authorization relates only to the technical infrastructure used in remote healthcare services and does not, by itself, grant authorization to provide remote healthcare services.

Against this background, the Board noted that Ortus is active in the market for "RHIS services," covering the development, registration and provision of RHIS software forming the technical infrastructure of remote healthcare services to private healthcare institutions.

For Bupa's activities, the Board referred to the general distinction between life and non-life insurance and noted that non-life insurance includes several sub-segments, including accident and health insurance. Relying on its decisional practice concerning the insurance industry, the Board indicated that Bupa is active in the "health insurance market".

III. The Board's Substantive Assessment

a. The Board Characterized the Transaction as a Conglomerate Acquisition

The Board did not identify a horizontal overlap or a vertical relationship between the activities of Bupa and Ortus in Türkiye. However, the Board found that the transaction would create a complementary relationship between Ortus's RHIS services and Bupa's insurance services, given that Bupa intended to provide its insured customers with access to remote healthcare services through a digital health platform called "Blua" using Ortus's RHIS software.

The Board noted that conglomerate acquisitions generally do not significantly restrict effective competition but may raise concerns where the combined entity can leverage a strong position in one market into another market through tying, bundling or other exclusionary practices. Accordingly, the Board examined whether the transaction could result in competitive concerns in the market for RHIS services and the market for health insurance in Türkiye. In doing so, the Board considered concerns raised by other insurance companies and RHIS providers, including Bupa's access to strategic data possessed by Ortus, the possibility of steering Bupa's existing customer portfolio to its own remote healthcare service post-transaction, personalization and cost optimization advantages through combination of insurance services and remote healthcare services, and potential restrictions on other remote healthcare platforms' access to patients insured by Bupa.

b. Potential Access Concerns in the RHIS Services Market

The Board evaluated whether Bupa would integrate its own RHIS service into its insurance policies post-transaction and thereby foreclose rival RHIS platforms from access to Bupa's insured customer base.

The Board first analysed whether insurance policies constituted the only channel for RHIS platforms to reach consumers, or whether insured customers represented an essential customer source for RHIS platforms. The Board found that remote healthcare services are offered through different models, including hospitals and healthcare facilities holding both remote healthcare activity permits and RHIS authorization as well as marketplace-type platforms holding RHIS authorization and cooperating with hospitals and physicians. The Board considered that, for RHIS platforms bringing patients and doctors together, the key competitive parameter is the breadth of the healthcare institution and doctor portfolio, which indirectly forms a channel for reaching consumers. The Board therefore found that many RHIS platforms can reach consumers through their own healthcare institutions or through direct cooperation with hospitals and doctors.

Based on the market data, the Board also noted that there were various RHIS platforms that achieved significant scale in terms of the number of the contracted healthcare institutions and/or doctors, or in terms of the patients reached. Furthermore, the Board also observed that the majority of these platforms were able to expandtheir customer bases. In a similar vein, the Board also found that various players in the RHIS services market increased their revenues from 2023 to 2024. In addition, the Board noted that the number of insured customers using remote healthcare services within total health-insured customer portfolios was generally quite low; cooperation with insurance companies was not critical for competition in the RHIS services market; and clinical capacity, physician portfolio and regulatory compliance of the RHIS infrastructure were more important competitive factors. On this basis, the Board concluded that insurance companies are not the sole and decisive channel for RHIS platforms to reach consumers.

The Board found that - even if Bupa were to steer its insured customer base solely to Ortus - the transaction would still not result in market foreclosure given that Allianz is the market leader with 36.34% market share based on premiums and 20% market share based on number of policies in 2024, whereas Bupa is the second largest player with 15.49% market share based on premiums in 2024 and only the seventh largest player with only 3% market share based on number of policies in 2024. There are also various players whose market share based on number of policies is significantly higher than Bupa, namely, Anadolu Sigorta (19%), Axa (18%), Ankara Sigorta (16%), Aksigorta (11%) and Türkiye Sigorta (10%). To that end, the Board deduced that Bupa has a relatively smaller customer base compared to its competitors and also taking into account that its market share is less than 25%, RHIS platforms have alternative access channels to the market.The Board further noted that RHIS platforms can cooperate with more than one insurance company and that there were 54 undertakings active in the health insurance market.

Accordingly, the Board concluded that the transaction would not significantly impede effective competition by restricting RHIS platforms' access to the market and also observed that Ortus was a new entrant and would remain subject to significant effective competitive pressure in the RHIS services market.

c. ***Potential Data Advantages in the RHIS Services Market***

The Board also evaluated whether Bupa could use the data obtained from its health insurance activities to confer an unfair advantage to Ortus in the RHIS services market. The Board indicated that most of Ortus' competitors did not raise this potential concern, although one competitor argued that Bupa could gain an advantage in product differentiation and pricing by accessing both insurance data and healthcare usage data. Some insurance companies also stated that health insurance services involve access to identity, demographic, diagnosis, treatment and medical history data, and that a remote healthcare provider could use such data to diversify and personalize its services.

The Board evaluated that a data-related advantage would create a competition concern only if the post-transaction data advantage were strong enough to make rivals' growth or market entry more difficult. Applying that test, the Board first reiterated that the insurance channel was not an essential customer source for RHIS providers, because certain RHIS competitors could reach a broad user base through their own healthcare facilities or through cooperation with healthcare institutions and doctors. The Board also considered the number of contracted healthcare facilities and doctors for competitors' ability to obtain data.

Accordingly, the Board found that competitors could reach broad user bases and collect data without being dependent on an insured customer pool. It also emphasized that Bupa's market share based on the number of policies in 2024 is only 3%, meaning that its customer base was not a critical data source for the RHIS services market. The Board further noted that most undertakings considered the digitalization of healthcare to create high growth potential and product variety in the market. Accordingly, the Board concluded that it was unlikely that Bupa would restrict competition by using data obtained from its health insurance activities in favour of Ortus.

d. Potential Concerns in the Health Insurance Market

The Board evaluated whether Bupa's integration of its own RHIS service (via Ortus) into its insurance policies post-transaction could weaken other insurance companies' ability to offer similar services to their customers. The Board dismissed this concern mainly because Ortus is a new entrant into the market and has a limited patient and healthcare institution/doctor portfolio compared to prominent RHIS platforms. The Board also noted that there were 70 active RHIS providers holding RHIS licenses, meaning that Ortus was not an important or indispensable provider for rival insurance companies.

The Board also evaluated whether Bupa could use data obtained through Ortus in the RHIS services market to gain an unfair advantage in health insurance market. Rival insurance companies expressed concerns that Bupa could access both medical and customer/marketing data of Ortus' users, combine insurance and remote healthcare data to personalize health insurance services and optimize costs, or use remote healthcare data in premium calculation, risk scoring and claims assessment.

The Board found that concerns about the use of remote healthcare data in areas such as service personalization and premium calculation would be competitively relevant only if the data obtained through the transaction provided an advantage that could not be replicated by rivals and that would make rivals' growth or entry more difficult. The Board then examined the scope of data already available to insurance companies and noted that insurers may access demographic data, diagnosis and treatment data, usage data, financial data, health declarations, policy usage, medical history, diagnosis information, requested medicines and claim records. By contrast, RHIS platforms collect data such as identity and contact information, health data, the medical branch and the physician from whom the service is received. The Board considered that the data collected by RHIS platforms and insurance companies overlap in terms of identity, contact and health data. The Board therefore considered that Ortus would not provide Bupa with data Bupa did not already have, particularly because Ortus served customers insured by Bupa.

IV. Conclusion

The decision is significant because it illustrates the Board's approach to conglomerate theories of harm in technology-driven healthcare markets. Rather than treating the combination of health insurance and remote healthcare software as inherently problematic, the Board tested whether the transaction would give Bupa the ability and incentive to foreclose competitors or obtain a non-replicable data advantage capable of restricting competitors' growth or entry. Overall, the decision provides useful guidance for undertakings active in insurance and health technologies. It highlights the importance of assessing not only horizontal and vertical overlaps, but also complementary services, data flows, customer access routes and the replicability of competitive advantages.

Promotion and Intermediation in Automotive Finance: The Turkish Competition Board's TOFAŞ/BPF Decision

I. Introduction

On May 31, 2026, the Turkish Competition Board (the "***Board***") published its reasoned decision of December 18, 2025 (25-48/1169-657)[11], concerning the acquisition of sole control over BPF Pazarlama ve Acentelik Hizmetleri AŞ ("***BPF***") by Koç Holding AŞ ("***Koç***") and Stellantis Europe SPA ("***Stellantis EU***") and ultimately by Stellantis N.V. ("***Stellantis***") through Tofaş Türk Otomobil Fabrikası AŞ ("***Tofaş***").

Prior to the transaction, BP was controlled by Stellantis Financial Services ("***Stellantis Financial***"). Post-transaction, BPF would be wholly owned by Tofaş. Tofaş is a full-function joint venture under the joint control of KOÇ and Stellantis. Accordingly, BPF would be directly solely controlled by Tofaş and indirectly jointly controlled by Koç and Stellantis through Tofaş.

The decision is notable for the Board's assessment of a transaction involving the transfer of an automotive-related financial and insurance promotion platform into the control structure of an existing automotive joint venture. In particular, the decision sheds light on the Board's approach to distinguishing promotional and referral activities, as well as on assessing vertically affected markets arising from the relationship between such promotional activities and the upstream or adjacent financial services of the acquirer group.

[11] The Board's *TOFAŞ/BPF* decision dated 18.12.2025 and numbered 25-48/1169-657.

II. Background of the Transaction and the Change in the Acquirer Undertaking

The merger control filing was initially submitted on the basis that BPF would be acquired through Koç Fiat Kredi Finansman AŞ ("***Koç Fiat Kredi***"), which is controlled by Tofaş. During the review process, however, an amendment to the Regulation on Principles for Establishment and Operations of Financial Leasing, Factoring and Financing Companies entered into force on August 27, 2025. Pursuant to this amendment, financial leasing companies, factoring companies and financing companies established in Türkiye, including Koç Fiat Kredi, may only establish partnerships with, or participate in undertakings established as, credit institutions or financial institutions, whether in Türkiye or abroad.

In light of this regulatory amendment, the transaction parties decided that Tofaş would replace Koç Fiat Kredi as the acquiring undertaking and requested the Board to continue its review on the basis that Tofaş would be the acquirer. Accordingly, while the transaction was originally based on the share purchase agreement dated 17.07.2025 between Stellantis Financial and Koç Fiat Kredi, the transaction structure was subsequently amended by an amendment agreement dated 01.10.2025 between Stellantis Financial and Tofaş.

In addition, during the review process, the Authority requested information and documents from the Central Bank of the Republic of Türkiye and the Banking Regulation and Supervision Agency ("***BDDK***"). The response received from the Banking Regulation and Supervision Agency was taken into account in the Board's assessment.

III. The Board's Assessment of the Overlaps Between the Parties' Activities

The Board assessed whether the activities of the transaction parties gave rise to any affected markets. Accordingly, the Board first considered whether the transaction would give rise to any horizontal overlap. It was observed that Koç and Stellantis have global activities in automotive, financing and insurance services. However, the Board concluded that the horizontal overlaps at the global level did not materialize in Türkiye, because Stellantis operates in Türkiye through Stellantis Financial only by means of BPF.

The Board also examined whether BPF's activities could be considered to overlap horizontally with the insurance intermediation activities of Koç's subsidiaries. In this regard, the Board found that BPF's activities in relation to insurance services are limited to promotion and referral. In other words, BPF does not engage in activities specific to insurance intermediation, such as sales, obtaining offers or issuing policies. Accordingly, the Board concluded that there was no horizontal overlap in insurance intermediation services.

In terms of the vertically affected markets, the Board assessed that vertical overlaps could arise between Koç's activities in individual vehicle loans offered through banks, Koç's activities in individual vehicle loans offered through consumer financing companies, and BPF's activities in the promotion of vehicle loans offered through banking and consumer financing channels. In addition, it assessed that vertical overlaps could arise between the insurance intermediation activities of Koç's subsidiaries in relation to credit protection insurance, vehicle value protection insurance, motor own damage insurance and traffic insurance products, and BPF's activities concerning the promotion of intermediation services for those insurance products.

Accordingly, the Board identified a total of six vertically affected markets: (i) the market for individual vehicle loans offered through banks; (ii) the market for individual vehicle loans offered through financing companies; (iii) the market for insurance intermediation services; (iv) the market for promotion services relating to individual vehicle loans offered through banks; (v) the market for promotion services relating to individual vehicle loans offered through financing companies; and (vi) the market for promotion services relating to insurance intermediation services.

In this vein, the Board examined the parties' market shares in the vertically affected markets. The Board reviewed the vertical overlaps between (i) Yapıkredi's activities in the market for individual vehicle loans offered through banks and BPF's activities in the market for promotion services relating to such loans; (ii) Koç Fiat Kredi and Koç Finansman's activities in the market for individual vehicle loans offered through financing companies and BPF's promotion activities relating to such loans; and (iii) Koç's subsidiaries' activities in insurance intermediation services for credit protection insurance, vehicle value protection insurance, motor own damage insurance and traffic insurance, and BPF's activities in the promotion of these services.

In relation to individual vehicle loans offered through banks, the Board assessed the market shares of Yapıkredi and its competitors based on BDDK data.

Although Yapıkredi was the second-largest player in this market, the Board noted that there were competitors of comparable size and that the market included many players. As regards individual vehicle loans offered through financing companies, the Board observed that Koç Fiat Kredi and Koç Finansman operate in a fragmented consumer financing market and that financing companies also compete with banks. In this context, the Board referred to the fact that, in 2024, financial leasing, factoring, financing, asset management and savings financing companies accounted for 2.9% of the total asset size of the financial sector, whereas banks accounted for 97.1%.

The Board also assessed the insurance intermediation services market and the relevant insurance products promoted by BPF. The Board reviewed the market shares of Koç Fiat Kredi, KF Sigorta, Otokoç Sigorta and Ram Sigorta (Koç subsidiaries) in the insurance agency market, as well as their shares in relation to traffic insurance, motor own damage insurance and credit protection insurance. The Board found that the relevant Koç subsidiaries' market shares were limited and noted that there were 18,898 insurance agencies active in Türkiye in 2024. The Board also emphasized that BPF's promotion activities for vehicle loans and insurance products were limited to Stellantis-branded vehicles and that BPF's market share in the relevant promotion services markets was very limited. On this basis, the Board considered that the possible effects of the vertical overlaps would remain limited and that the existing market structure would be preserved in both the vehicle loans market and the insurance intermediation services market.

IV. Conclusion

As a result of its assessment, the Board found that the transaction would not significantly impede effective competition in any market for goods or services in the whole or part of Türkiye, particularly through the creation or strengthening of a dominant position. Accordingly, the Board unanimously and unconditionally granted clearance for the transaction.

The decision offers useful guidance on the Board's approach to transactions involving automotive-related financial and insurance promotion channels. Its significance lies not only in the clearance outcome, but also in the way the Board constructed and assessed the affected markets. The Board did not treat BPF's promotional activities as equivalent to the underlying banking, financing or insurance intermediation services. Instead, it separately assessed the relationship between BPF's promotion activities and the actual services provided by the acquirer group's financial and insurance entities.

In this respect, the decision demonstrates that, in vertical mergers, the precise commercial role of the target undertaking is critical. Where the target's role is limited to promotion, referral or customer-direction activities, the Board may distinguish such activities from the underlying regulated financial or insurance services and assess the competitive effects by reference to the target's limited role, its brand-specific scope, the market position of the acquirer group in the underlying services, and the availability of alternative market players. The decision therefore sheds further light on the Board's assessment of vertically affected markets in automotive finance and insurance ecosystems.

Revisiting Individual Exemption Under Turkish Competition Law: The Şişecam Decision[12]

I. Introduction

The Turkish Competition Authority ("***TCA***") published the reasoned decision of the Turkish Competition Board ("***Board***") concerning Şişecam dated December 4, 2025 and numbered 25-45/1129-633 ("***Decision***"), in which the Board evaluated the request for negative clearance or exemption regarding the authorized dealership agreement ("***Agreement***") to be executed between Türkiye Şişe ve Cam Fabrikaları AŞ ("***Şişecam***") and its nineteen authorized dealers for the distribution of flat glass products.

The Board determined that Şişecam operates actively in almost all sub-product groups in the market, such as basic/architectural glass (flat glass, patterned glass, mirror, laminated glass, coated glass, glass for architectural projects), automotive and other transport vehicle glass, solar glass, and home appliances glass. Pursuant to the Agreement, the nineteen dealers of Şişecam will be authorized to sell the flat glass produced by Şişecam to the wholesalers, retailers and glass processing companies and within this scope.

In terms of the relevant product market analysis, the Board determined that although flat glass is transformed into new products to serve different purposes after undergoing certain processes, since the Agreement covered all flat glass products and constitutes the basis for all glass applications, and in line with past Board decisions[13], the relevant product market is considered as the market for flat glass.

In its assessment of the scope and nature of the Agreement, the Board evaluated that the Agreement included a non-compete obligation but did not include the allocation of an exclusive territory to authorized dealers, and accordingly, did not contain active and passive sales restrictions.

In light of the above, the Board decided that the Agreement to be concluded between Şişecam and its authorized dealers fell within the scope of Article 4 of Law No. 4054 on the Protection of Competition ("***Law No. 4054***") and could not benefit from a negative clearance under Article 8 of the Law No. 4054.

The Board further found that the agreement did not satisfy the conditions for block exemption under the Communiqué No. 2002/2 on Vertical Agreements and ultimately refused to grant an individual exemption on the grounds that the agreement failed to fulfil the conditions set out under subparagraphs (b), (c) and (d) of Article 5(1) of Law No. 4054.

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[12] This article first appeared in Mondaq as "*Revisiting Individual Exemption Under Turkish Competition Law: The Şişecam Decision*"(https://www.mondaq.com/turkey/antitrust-eu-competition/1789854/revisiting-individual-exemption-under-turkish-competition-law-the-%c5%9ei%c5%9fecam-decision)

[13] The Board's Trakya Cam-I decision dated 17.11.2011 and numbered 11-57/1477-533; *Trakya Cam/Düzcam Exemption* decision dated 24.01.2013 and numbered 13-07/73-42; *Trakya Cam/Düzcam Exemption-I* decision dated 02.12.2015 and numbered 15-42/704-258; *Trakya Cam/Düzcam Exemption-II* decision dated 21.12.2017 and numbered 17-42/670-298; *Trakya Cam/Düzcam Exemption-III* decision dated 25.06.2020 and numbered 20-31/382-171.

The decision therefore provides important insights into the Board's evidence-based approach towards vertical restraints, efficiency justifications and exemption assessments under the Turkish competition law regime. The decision is especially notable since Şişecam supported its exemption application with its extensive economic and operational arguments, including claims relating to demand forecasting accuracy, inventory optimization, supply continuity, production planning, capacity utilization and distribution efficiencies. Nevertheless, the Board ultimately concluded that these arguments were insufficient to satisfy the conditions required for individual exemption.

This article examines the Board's approach in the decision and discusses its potential implications for distribution systems, non-compete obligations and future exemption assessments under Turkish competition law.

II. Earlier Decisions Concerning Şişecam's Distribution System

In terms of the Board's decisional practice, there are several decisions where the Bord evaluated the distribution system previously implemented by Trakya Cam Sanayii AŞ ("***Trakya Cam***"), a subsidiary of Şişecam. Before this Decision, the Board had already examined substantially similar dealership structures in 2015, 2017 and 2020.

The Board first examined Trakya Cam's dealership structure in its 2015 decision concerning the authorized dealership agreement for flat glass products.[14] In that decision, the Board acknowledged that the proposed distribution system could lead to certain operational and distribution-related efficiencies, including benefits relating to production planning, logistics optimization, inventory management and supply continuity. However, the Board ultimately refused to grant an individual exemption on the grounds that the restrictions imposed under the system, together with Trakya Cam's strong market position and the limited level of intra-brand competition in the market, could significantly restrict competition and strengthen foreclosure risks within the distribution structure.

Following that decision, Trakya Cam revised the structure of its dealership system and submitted a new exemption application in 2017.[15] Under the revised structure, several restrictive elements previously identified by the Board were removed, including territorial exclusivity arrangements, recommended resale pricing practices, software-based monitoring mechanisms and certain organizational controls over dealerships. The revised system mainly preserved the non-compete obligation imposed on authorized dealerships. In light of these amendments, the Board granted an individual exemption for a period of two years.

Yet, in 2020, the Board once again refused to grant an individual exemption to a substantially similar dealership agreement.[16] The 2020 decision is particularly important because it contains a significantly more detailed discussion

[14] The Board's *Trakya Cam/Düzcam Exemption-I* decision dated 02.12.2015 and numbered 15-42/704-258.

[15] The Board's *Trakya Cam/Düzcam Exemption-II* decision dated 21.12.2017 and numbered 17-42/670-298.

[16] The Board's *Trakya Cam/Düzcam Exemption-III* decision dated 25.06.2020 and numbered 20-31/382-171.

regarding the evidentiary standard applicable to efficiency claims under Article 5 of Law No. 4054. In its assessment, the Board emphasized that efficiency claims should be objective, verifiable and supported by concrete data. The Board further noted that, since the dealership system had already been implemented in practice for a considerable period of time, any alleged efficiencies should be demonstrated through observable and measurable market outcomes rather than abstract or theoretical assumptions.

Against this background, this Decision reflects the continuation of the Board's close scrutiny over dealership systems involving non-compete obligations. At the same time, the overall line of decisions suggests that the Board's exemption analysis has become increasingly structured and evidence-oriented, particularly with respect to the substantiation of efficiency claims and consumer benefits.

III. The Distribution System and Non-Compete Obligation

Under the Agreement, authorized dealerships would purchase flat glass products from Şişecam and organize the resale and distribution of these products to downstream customers, including wholesalers, retailers and glass processors operating in the market.

The Agreement regulated a non-compete obligation that imposed restrictions on the authorized dealers to procure flat glass products exclusively from Şişecam or from Şişecam's authorized dealers and prohibited authorized dealerships from producing, importing, selling, distributing, stocking or promoting products competing with Şişecam's flat glass products.

In its exemption request, Şişecam relied on a broad range of operational and economic efficiency arguments aimed at justifying the non-compete obligations imposed under its authorized dealership system. Firstly, Şişecam argued that the purpose of the dealership model was to establish a more efficient and coordinated distribution structure for flat glass products. According to Şişecam, the proposed distribution model would improve demand forecasting, optimize inventory management, facilitate production planning and increase overall supply chain efficiency within the flat glass sector. The undertaking further associated these efficiencies with lower storage and distribution costs, reduced unmet demand and improved utilization of production capacity; and claimed that the system could reduce certain quality-related risks and improve product consistency within the distribution chain.

The Board proceeded to assess the agreement and the conditions for individual exemption under Article 5 of Law No. 4054. In this respect, the Board examined whether the agreement: (i) contributed to new developments, improvements, or economic and technical progress in the production or distribution of goods and services; (ii) allowed consumers to benefit from such efficiencies; (iii) eliminated competition in a significant part of the relevant market; and (iv) imposed restrictions that were more extensive than necessary to achieve the objectives set out under subparagraphs (a) and (b) of Article 5(1).

IV. The Board's Assessment of the Claimed Efficiencies

The Board did not reject the possibility that such efficiencies could, in principle, arise from a coordinated distribution system within the meaning of Article

5(1)(a) of Law No. 4054. However, the Board approached these claims through a considerably more structured and evidence-oriented analytical framework; and ultimately concluded that the conditions required for individual exemption under Article 5(1)(b), (c) and (d) of Law No. 4054 were not satisfied.

With respect to Article 5(1)(b), which concerns whether consumers would benefit from the efficiencies generated by the dealership system, the Board concluded that the alleged efficiencies were unlikely to be reflected at the consumer level. In particular, the Board noted that dealerships were required to maintain inventories based on past purchasing volumes, which could limit product variety at dealership warehouses. The Board further observed that, although the dealership system had previously benefited from an exemption during the 2018–2019 period, it had not generated sufficient competitive pressure to constrain price increases, and that flat glass prices had increased beyond the producer price index during that period. According to the Board, the relatively limited degree of competition in the flat glass market further reduced the likelihood that any efficiencies generated by the system would be passed on to consumers.

As regards Article 5(1)(c), which requires that competition not be eliminated in a significant part of the relevant market, the Board concluded that the dealership system could materially restrict competition across a significant part of the market. Although Şişecam argued that the investments made by Düzce Cam would create competitive pressure, the Board emphasized that Şişecam was simultaneously undertaking comparable investments, possessed a broader product portfolio than its competitors, and operated in a market characterised by high entry barriers and significant investment requirements for both production and distribution activities. The Board also underlined the stagnant structure of the flat glass market in recent years and found that the dealership system could foreclose a significant part of the market not only in the dealership channel, but also in the double-glazing producer and industrial customer channels.

Finally, in its assessment under Article 5(1)(d), concerning whether the restrictions imposed by the agreement were indispensable for achieving the efficiencies put forward by the parties, the Board concluded that the restrictions arising from the dealership system exceeded what was necessary to attain the claimed efficiencies. In this respect, the Board noted that, during the 2018–2019 exemption period, Düzce Cam had only been able to sell a limited portion of its production, that certain contractual obligations imposed on dealerships could produce effects extending beyond competing products, and that the dealership system could make it more difficult for Düzce Cam to reach customers located far from its production facilities.

The Board further considered that the restrictive effects of the system could deepen following the operation of Şişecam's new and renovated production facilities. It also emphasized that the system could restrict competition not only in the dealership channel, but also in two important downstream channels, given that many authorised dealerships were simultaneously active as double-glazing producers and industrial customers, while Şişecam itself also carried out direct sales in those channels.

V. Conclusion

The Şişecam decision constitutes one of the most comprehensive recent examples of the Board's approach towards individual exemption assessments in the context of restrictive distribution systems. While the Board did not reject the possibility that authorized dealership structures may generate operational and distribution-related efficiencies, the decision clearly demonstrates that such efficiencies must be substantiated through concrete, measurable and consumer-oriented evidence to satisfy the exemption criteria under Article 5 of Law No. 4054.

In this respect, the line of decisions concerning Şişecam's distribution system reflects an increasingly structured and evidence-oriented approach towards the balancing of efficiency claims against potential foreclosure risks arising from non-compete obligations and concentrated distribution structures.

More broadly, the Decision signals that undertakings holding substantial market power may face heightened scrutiny when implementing single-brand distribution models or restrictive dealership systems. In this respect, the Decision is likely to constitute a significant reference point for future exemption assessments involving restrictive distribution systems and non-compete obligations under Turkish competition law.

Beyond the Cartel: Turkish Competition Board Fines True Danışmanlık as Cartel Facilitator in Driving Schools' Price-Fixing Investigation

I. Introduction

On November 6, 2025, the Turkish Competition Board ("***Board***") concluded the investigation into the price-fixing practices of private motor vehicle driving schools operating in Aydın and determined that True Özel Araştırma ve Danışmanlık Tic. San. Ltd. Şti. ("***True Danışmanlık***") infringed Article 4 of Law No. 4054 on the Protection of Competition ("***Law No. 4054***")[17] by participating in the price-fixing arrangement as a cartel facilitator ("***Decision***").

Upon examining the documents obtained during on-site inspections, the Board found that True Danışmanlık actively contributed to the establishment and continuation of the infringement by coordinating the implementation of the price agreements, monitoring compliance with the jointly determined prices and operating enforcement mechanisms against driving schools that deviated from the arrangement. The Decision sheds light on the Board's approach to cartel facilitators, particularly by showing that an undertaking may be held liable even if it does not compete with the cartel participants, where it plays an active role in implementing, monitoring and enforcing the arrangement.

II. Background

The Turkish Competition Authority's ("***TCA***") scrutiny began following a confidential complaint alleging that private motor vehicle driving schools operating in several districts of Aydın had agreed on driving course fees and imposed penalties on those that failed to comply with the agreed prices. Following a preliminary investigation, the Board launched a full investigation into 28 driving schools operating in Aydın and True Danışmanlık, which provided consultancy and inspection

[17] Aydın private motor vehicle driving schools decision dated November 6, 2025, and numbered 25-41/1016-582.

services to those schools. The scope of the investigation was later expanded to include an additional 10 driving schools, bringing the total number of investigated undertakings to 39.

During the investigation, all 39 undertakings requested the initiation of settlement proceedings. Following the settlement discussions, 38 driving schools submitted their settlement texts within the deadline, and the investigation was concluded in respect of those undertakings. True Danışmanlık, however, did not submit a settlement text within the relevant deadline and therefore did not benefit from the settlement procedure. The investigation accordingly continued solely against True Danışmanlık, which also did not submit a written defence during the proceedings. The remaining investigation focused on whether True Danışmanlık had participated in the price-fixing arrangements between the driving schools as a cartel facilitator.

III. Cartel Facilitator in Turkish Competition Law and the Board's Approach

The Decision emphasizes that liability for participating in competition law infringement is not necessarily limited to the competitors that directly enter the anti-competitive arrangement. Under Article 14 of Law No. 5326 on Misdemeanours, where several persons participate in an administrative offence, each participant may be sanctioned as a principal offender.

Further, pursuant to the Regulation on Active Cooperation for Detecting Cartels ("***Leniency Regulation***"), "cartel facilitator" is defined as "*Undertakings and associations of undertakings which mediate for organizing and/or maintaining a cartel, facilitate the organization and/or maintaining a cartel with their activities, without carrying out activities at the same level of production or distribution chain as the parties to the cartel"*.

Accordingly, it can be inferred that in order for an undertaking to be held liable as a facilitator of conduct constituting an infringement of Article 4 of Law No. 4054 and to be penalized under Article 14 of Law No. 5326, the undertaking must have contributed to the implementation and/or maintenance of the infringement, even if it does not compete with the parties to the infringement at a horizontal or vertical level.

The Board also noted another decision whereby it investigated allegations that undertakings providing driving instruction services to drivers in Uşak infringed Article 4 of Law No. 4054 by fixing prices[18]. In that decision, the Board concluded that the competing undertakings had agreed to fix prices, and that True Danışmanlık had participated in this agreement as a cartel facilitator.

Consequently, these regulatory frameworks and precedents demonstrate that Turkish competition law evaluates liability based on an undertaking's functional contribution to an infringement, rather than its market position.

IV. Assessment of True Danışmanlık's Role as a Cartel Facilitator

The Board noted that driving school services have no substitutes, since obtaining a driving license through a certified MTSK is a legal requirement under Article 36 of the Highway Traffic Law ("***Law No. 2918***") and therefore defined the relevant product market

[18] Board's decision dated 26.09.2024 and numbered 24-39/927-398.

narrowly as the "*market for private educational services for prospective drivers*". The Board defined the relevant geographic market as "*Aydın province*" given that the alleged arrangement concerned multiple MTSK's within Aydın. The Board examined the documents obtained during the on-site inspections. These documents showed that driving schools operating in Aydın had jointly determined course fees for different license categories and had appointed True Danışmanlık to monitor whether the agreed prices were being followed. The protocols also provided for progressively increasing contractual penalties for a driving school that charged below the agreed prices. In addition, the driving schools had issued promissory notes matching the penalty amounts, which could be enforced against them in the event of non-compliance.

True Danışmanlık conducted inspections at a driving schools and imposed a monetary penalty for failing to comply with the relevant protocol. In a separate instance, when a driving school that charged below the agreed price refused to pay the amount stated in the promissory note, True Danışmanlık's manager, Serdar Kaplanoğlu, initiated legal proceedings to collect the payment. The Board also identified that payments described as "dues" were made to True Danışmanlık for its monitoring and implementation services it provided within the scope of the arrangement.

Information obtained during interviews conducted during the investigation indicated that True Danışmanlık used mystery customers to determine whether discounts were being offered and recorded their discussions with course personnel. It was further alleged that True Danışmanlık pressured some driving schools to join the arrangement, presented the signing of the protocols as mandatory, and, made threatening phone calls after detecting non-compliance during its monitoring activities. A document attached to an email obtained during the investigation also showed that one driving school wished to withdraw from the arrangement because other schools were not complying with the agreed prices and customers had accused the participants of cartelization.

The Board emphasized that the existence of an agreement under Article 4 of Law No. 4054 does not depend on a signed or written agreement. When considered together, the protocols, price lists, promissory notes, penalty documents, bank receipts and information obtained from the driving schools clearly demonstrated True Danışmanlık's intention to contribute to the price-fixing arrangement and its active involvement in it.

In its assessments, the Board relied on both domestic and EU decisional practice. In terms of Board precedents, the Board referred to *Çorum Yapı Denetim* decision[19], in which a technical service provider was fined as a facilitator for providing support for implementation of a cartel. The Board also referred to European Court of Justice's decisions, *AC Treuhand v Commission*[20] and *Icap v Commission*[21], both of which confirm that consultancy and intermediary firms can be held liable for facilitating a cartel without directly competing with its members. Notably, the Board's conclusion was further supported with the fact that True Danışmanlık was already found as a cartel facilitator in a

[19] Board's decision dated 02.12.2013 and numbered 13-67/929-391.
[20] Case C-194/14 P, AC Treuhand v Commission.
[21] Case T-180/15 Icap v Commission.

similar case involving driving schools in Uşak[22].

Against this background, the Board found that True Danışmanlık's conduct went beyond the provision of consultancy or inspection services. By coordinating implementation of the protocols, monitoring compliance with the agreed prices and imposing sanctions on driving schools that deviated from the arrangement, True Danışmanlık actively contributed to the implementation and continuation of the cartel. Accordingly, the Board concluded that True Danışmanlık had participated in the price-fixing arrangement as a cartel facilitator and had therefore infringed Article 4 of Law No. 4054.

V. Assessment of Serdar Kaplanaoğlu's Role in the Alleged Infringement

Pursuant to Article 8 of the Regulation on Administrative Fines to Apply in Cases of Agreements, Concerted Practices and Decisions Limiting Competition and Abuses of Dominant Position ("***Regulation on Fines***"), managers or employees found to have had a determining influence on an infringement may be subject to a separate administrative monetary fine of up to 5% of the fine imposed on the relevant undertaking. Moreover, "determining influence" is defined under Regulation on Fines as indispensable role in the formation and/or continuation of the infringement. Accordingly, the Board separately assessed whether the conduct of Serdar Kaplanoğlu, who is the sole shareholder and manager of True Danışmanlık, went beyond his general managerial responsibilities and had a determining effect on the establishment and continuation of the infringement.

The Board found that Serdar Kaplanoğlu personally played an active role in the operation of the arrangement. In particular, the statements obtained during the investigation indicated that he had pressured certain driving schools into participating in the price-fixing arrangement. Further evidence also demonstrated that he conducted inspections to monitor compliance with the agreed prices, received payments for the monitoring and implementation of the arrangement, and held a central role in the enforcement mechanisms established under the protocols.

On this basis, the Board concluded that Serdar Kaplanoğlu had a determining influence on the infringement by organizing the implementation and continuation of the protocols and applying direction and sanction mechanisms against the driving schools. The Board therefore imposed a separate administrative monetary fine of 5.595,21, equivalent of 5% of the fine imposed on True Danışmanlık (*i.e.* the maximum rate permitted under Article 8 of Regulation on Fines) on Serdar Kaplanoğlu under Article 8 of the Regulation on Fines.

VI. Conclusion

In conclusion, the Board determined that True Danışmanlık infringed Article 4 of Law No. 4054 by participating in the price-fixing agreements between driving schools operating in Aydın as a cartel facilitator. The Board's assessment focused not on whether True Danışmanlık competed with the cartel participants, but on the role it played in establishing, monitoring and enforcing the arrangement between competitors through protocols, inspections,

[22] Board's decision dated 26.09.2024 and numbered 24-39/927-398.

payments, promissory notes and penalties. Accordingly, the Board imposed an administrative monetary fine on True Danışmanlık and a separate fine on its manager, Serdar Kaplanoğlu, due to his determining influence on the infringement. The Decision illustrates that third-party service providers may also be held liable under Article 4 of Law No. 4054 where their conduct actively supports the implementation and continuation of a cartel.

Dispute Resolution

Turkish Constitutional Court Rules That Electronic Marketplaces Cannot be Protected with a Blanket Non-Liability Provision

I. Introduction

Electronic marketplaces allow consumers to reach many goods and services provided by third-party sellers/providers. In essence, these marketplaces allow buyers and sellers reach an agreement for a product and service and facilitate payment processes for the parties. Marketplaces do not provide the products and services sold, and the responsibilities tied to the product/service as per Law No. 6502 on Consumer Protection ("***Law No. 6502***") fall on the seller/provider.

Aside from Law No. 6502, which regulates the fundamental provisions govern the relationship between seller/provider and a consumer, Law No. 6563 on Regulating Electronic Commerce ***("Law No. 6563***") determined the framework of the role and responsibilities of the electronic marketplaces. Article 9 of Law No. 6563 stipulates that the electronic marketplace, as the intermediary, is not responsible for the illegalities in the products/services provided by the sellers/ service providers. This provision is the legal ground of the non-liability described above.

This provision, however, is recently annulled by Turkish Constitutional Court upon an objection made by Ankara Regional Court of Appeals, 3rd Chamber.

II. The Dispute and Ankara Regional Court of Appeals' Reasoning for Objection

In a lawsuit filed by a plaintiff, the plaintiff filed for non-pecuniary compensation due to a faulty product that they have purchased through an electronic marketplace. The lawsuit was filed against the electronic marketplace itself but was dismissed because of the non-liability stipulated under Article 9 or Law No. 6563.

The plaintiff, while objecting to the decision, argued that this provision violates various provisions of Constitution. Accordingly, Ankara Regional Court of Appeals referred the matter to Constitutional Court, requesting annulment of, among other provisions, Article 9 of Law No. 6563, on the grounds that this provision violated inter alia, Article 36 of Constitution, which secures the right to access the court and Article 172 of Constitution, which regulates State's responsibility over the consumers.

III. Constitutional Court's Evaluation

In its decision[23] the Constitutional Court made its evaluation on the basis of Article 35 of Constitution, which secures the right to property. The Constitutional Court focused on the balance between the conflict of interest between the consumer and the electronic marketplace provider in

[23] Constitutional Court, E. 2024/187, K. 2026/42, T. 12.2.2026.

terms of their right to property and noted that this dispute must be evaluated to strike a balance between two legally protected interests, while not hindering neither disproportionately as per Article 13 of Constitution.

The Constitutional Court also pointed out Article 172 of the Constitution, noting that the State has an active responsibility to protect interests of consumers and implement necessary measures to protect them. Based on that, the Constitutional Court highlighted that Article 9 of Law No. 6563 provides a blanket non-liability for the electronic marketplace providers and that this even cover the situations where the electronic marketplace provider has an active control or role on the sale/provision of the product/service in question. The Constitutional Court added that allowing for such non-liability may leave the consumer without any legal recourse in cases where the consumer cannot get ahold of the seller or the service provider in question. These points are considered by the Constitutional Court and found to be upsetting the fair balance that must be observed between the conflicting interests of consumers and electronic marketplaces to the favor of the latter.

Accordingly, the Constitutional Court concluded that electronic marketplace providers must be held responsible for illegalities of the service/product in question where they play an active economic role in the transaction and annulled the Article 9 of Law No. 6563, to be effective in 9 months following publishing of the decision on the Official Gazette. This decision was published on 2.6.2026, so it will come into force on 2.3.2027.

IV. Conclusion

In its decision, the Constitutional Court made an assessment to balance two legal and legitimate interests against one another and favored the consumer's right to seek its legitimate rights, while not disproportionately hindering the electronic marketplace providers' rights. It must be noted that Constitutional Court ruled that the electronic marketplace provider must be responsible for the illegalities of the products/services where it played an active economic role in provision/sale and did not rule that electronic marketplace provider shall be responsible in "all" cases. To wit, the underlying logic of Constitutional Court's decision targets the "blanket" non-liability that is applied for all instances, not the concept of non-liability in its entirety

Data Protection Law

Constitutional Court Finds Violation of the Principle of Legality in Administrative Fine Imposed Under the Turkish Data Protection Law

The Constitutional Court's decision in *Viennalife Emeklilik ve Hayat A.Ş.* (Application No. 2020/32193, dated 27 January 2026), published in the Official Gazette on 16 June 2026, constitutes an important development in Turkish data protection law. The decision examines the relationship between the lawful processing grounds under the Turkish Data Protection Law No. 6698 ("***Law No. 6698***"), the concept of publicly disclosed personal data, and the constitutional principle of legality in relation to administrative sanctions.

The Constitutional Court ultimately concluded that the administrative fine imposed by the Personal Data Protection Board ("***Board***") violated the constitutional principle of legality in criminal and administrative sanctions, as the sanction was based on an interpretation that could not be sufficiently derived from the wording of Law No. 6698.

I. Background of the Case

The case originated from a complaint submitted to the Personal Data Protection Authority ("***Authority***") by an individual who had received a telephone call from an insurance company for marketing and appointment purposes.

The complainant alleged that the company had obtained and processed his personal data, namely his name, surname, and telephone number, without his explicit consent. During the Authority's investigation, the company explained that the relevant information had been obtained from a publicly accessible website and that the information had been publicly available at the relevant time.

The company further argued that Article 5(2)(d) of Law No. 6698 permits the processing of personal data that has been made public by the data subject himself or herself, without requiring explicit consent. According to the company, the data subject had made the information publicly available and therefore the processing activity fell within the scope of this lawful processing ground.

The Authority and subsequently the Board disagreed with this assessment. The Board concluded that even if the information had previously been publicly available, the processing activity exceeded the purpose for which the data had allegedly been made public and therefore could not benefit from the exemption under Article 5(2)(d) of Law No. 6698. As a result, the Board imposed an administrative fine on the company for failing to comply with its data security obligations under Article 12 of Law No. 6698.

The company challenged the sanction before the competent Criminal Judgeship of Peace. Although the amount of the administrative fine was reduced, the legality of the sanction itself was upheld. The company subsequently filed an individual application before the Constitutional Court.

II. The Constitutional Court's Assessment

The Constitutional Court examined the matter primarily from the perspective of the constitutional principle of legality in criminal and administrative sanctions, as protected under Article 38 of the Constitution.

The applicant company argued that the concept of "processing personal data in line with the purpose of disclosure" was not expressly regulated under the Law No. 6698 and that the administrative fine had effectively been imposed on the basis of a criterion developed through interpretation rather than through legislation. According to the applicant, this rendered the sanction unforeseeable and incompatible with the principle of legality.

In its assessment, the Constitutional Court reiterated that the principle of legality serves as a fundamental safeguard against arbitrary punishment and requires that offences and sanctions be based on clear and foreseeable legal rules.

The Court acknowledged that Law No. 6698 expressly permits the processing of personal data without explicit consent where the data has been made public by the data subject. However, the Court noted that neither Article 5(2)(d) of Law No. 6698 nor the relevant provisions concerning administrative sanctions contain an explicit rule stating that publicly disclosed data may only be processed strictly in line with the original purpose of disclosure.

The Constitutional Court also examined the Board's reasoning and observed that the administrative sanction was effectively based on the conclusion that the company had used the personal data for a purpose different from the purpose for which it had allegedly been made public. While this interpretation had previously appeared in guidance documents and administrative practice, the Court emphasized that the relevant statutory provisions did not clearly establish such a limitation.

The Court further observed that the decisions of the Board and Istanbul Anadolu 6th Criminal Judgeship of Peace did not sufficiently explain the legal basis for imposing an administrative fine under the data security obligations set out in Article 12 of Law No. 6698. In particular, the Court found it noteworthy that there was no detailed assessment as to why the company qualified as the relevant data controller for the purposes of the sanction or whether any responsibility could also arise in relation to the website on which the information had allegedly been published.

Against this background, the Constitutional Court concluded that the administrative fine had been imposed on the basis of an interpretation that could not be sufficiently derived from the wording of the legislation. Accordingly, the Court found a violation of the constitutional principle of legality and ordered a retrial.

III. Significance of the Decision

The decision is significant for several reasons.

First, it highlights the constitutional limits of administrative enforcement in the field of data protection. The Constitutional Court did not question the importance of protecting personal data or the Board's supervisory role. Instead, it emphasized that administrative sanctions must be firmly grounded in clear statutory provisions and cannot rely solely on administrative interpretations that are not adequately reflected in the text of the law.

Second, the decision may reignite discussions regarding the scope of Article 5(2)(d) of Law No. 6698. The Board has consistently taken the position that personal data made public by the data subject may only be processed in a manner compatible with the purpose of disclosure. This approach is also reflected in guidance documents published by the Authority. However, the Constitutional Court's reasoning suggests that limitations resulting in administrative sanctions must have a sufficiently clear legal basis in the legislation itself.

Third, the decision underscores the importance of legal certainty and foreseeability in the application of administrative fines under Law No. 6698. Data controllers must be able to anticipate, based on the wording of the law, which conduct may expose them to sanctions.

IV. Practical Implications for Data Controllers

Although the decision resulted in a finding of a constitutional violation, data controllers should not interpret it as permitting unrestricted use of publicly available personal data.

The Constitutional Court's assessment focused primarily on the legality of the administrative sanction rather than on establishing a broad right to process publicly available personal data. Accordingly, the Authority and the Board are likely to continue applying a restrictive approach to the processing of publicly disclosed personal data, particularly where such processing is carried out for commercial or marketing purposes.

Nevertheless, the decision provides important guidance regarding the interpretation and enforcement of Law No. 6698. Data controllers should continue to carefully assess whether reliance on Article 5(2)(d) is appropriate in a particular case and ensure that any processing activity is supported by a valid legal basis and documented through an appropriate compliance framework.

The decision also demonstrates that administrative sanctions imposed by the Board remain subject to constitutional scrutiny and that principles such as legality, legal certainty, and foreseeability continue to play a central role in Turkish data protection enforcement.

V. Conclusion

The Constitutional Court's Viennalife Emeklilik ve Hayat A.Ş. decision represents one of the most notable constitutional assessments of administrative sanctions imposed under Law No. 6698 in recent years. By finding a violation of the principle of legality, the Court reaffirmed that administrative enforcement in the data protection field must remain firmly anchored in clear statutory provisions and predictable legal standards.

The decision is likely to influence future discussions concerning the interpretation of lawful processing grounds under Law No. 6698, the limits of administrative discretion in enforcement actions, and the legal certainty required for imposing administrative fines. As Turkish data protection law continues to evolve, the judgment serves as an important reminder that effective privacy enforcement must be balanced with the constitutional guarantees that underpin the rule of law.

Internet Law

Türkiye's Artificial Intelligence Action Plan: A New Policy Direction for AI Governance and Digital Sovereignty

Türkiye announced its Artificial Intelligence Action Plan ("***AI Action Plan***" or "***Plan***") at the Türkiye Artificial Intelligence Summit on June 13, 2026. Designed as the country's artificial intelligence roadmap for the 2026–2030 period, the Plan is structured around four pillars: "recognize, benefit, produce and govern." It combines public awareness and skills initiatives with targets for access to data, computing infrastructure, domestic model development, investment and future regulation.

The AI Action Plan is a policy document rather than a directly binding legislative instrument. It does not, by itself, introduce compliance obligations, licensing requirements or administrative sanctions for technology companies. Its importance lies instead in identifying the areas in which Türkiye intends to direct public resources, build institutional capacity and develop future regulatory measures. For providers and deployers of artificial intelligence systems, cloud services, data-center operators, online platforms and other actors in the internet ecosystem, the Plan therefore offers an early indication of Türkiye's emerging approach to artificial intelligence governance.

I. From Strategy to Implementation: The Four-Pillar Structure

Under the "recognize" pillar, Türkiye aims to improve public understanding of the opportunities and risks associated with artificial intelligence. The Plan envisages a National Artificial Intelligence Literacy Program, workshops across all 81 provinces and, within two years, training for five million citizens. It also sets targets to train 10,000 advanced artificial intelligence specialists and 100,000 artificial intelligence application professionals.

The "benefit" pillar focuses on converting artificial intelligence capabilities into practical outcomes in public services and priority sectors. The Plan envisages artificial intelligence-supported services within the e-Government ecosystem, the allocation of at least two percent of public investment programmes to artificial intelligence projects, and public-sector use of successful domestic solutions. It also anticipates support for small and medium-sized enterprises through artificial intelligence vouchers, particularly in sectors such as health, energy and smart manufacturing.

The "produce" pillar is directed at domestic research, commercialisation and model development. It proposes artificial intelligence growth zones, research and growth funds, and continued development of Turkish-language large language models, including TÜBİTAK's Bilge model.

Finally, the "govern" pillar addresses infrastructure, investment and international coordination. The Plan seeks to mobilise at least USD 10 billion, predominantly from the private sector, for data-center, cloud and artificial intelligence infrastructure. It also aims to provide international investors with a coordinated investment roadmap within no more than 30 business days.

II. An Emerging Risk-Based Regulatory Approach

The most significant regulatory statement in the Plan is the intention to establish a framework that protects users while providing predictability for investors. The announced framework will be based on a proportionate approach to risk and is intended to support innovation while safeguarding privacy and security. Although the details remain to be developed, this language suggests that Türkiye may distinguish between artificial intelligence systems according to their use, context and potential impact rather than subjecting all systems to the same obligations.

This does not mean that Türkiye has adopted the European Union Artificial Intelligence Act or that the future Turkish framework will necessarily reproduce its risk categories, as of now. The competent authorities, scope, territorial reach, obligations and enforcement model have not yet been specified. Nevertheless, the emphasis on human-centered, reliable and responsible artificial intelligence, together with proportionality and risk, indicates a policy direction broadly consistent with international governance trends.

Companies operating artificial intelligence products or integrating artificial intelligence into online services may therefore benefit from mapping their systems and intended uses, documenting data sources and testing, assessing risks to fundamental rights and safety, and defining human oversight and incident-management processes. These measures do not derive as new legal duties from the Plan but may place companies in a stronger position as the regulatory framework develops.

III. Data Access, Public Data and Personal Data Protection

Data policy is central to the AI Action Plan. Türkiye intends to make at least 2,000 public-sector datasets available through a National Data Library, particularly in health, agriculture, defense and electronic commerce. The Plan also envisages sectoral data spaces established through public-private cooperation. If implemented effectively, these initiatives may reduce barriers to research and model development and create new opportunities for technology companies, start-ups and academic institutions.

At the same time, greater availability of public-sector and sectoral data will require clear governance rules. The publication or sharing of a dataset does not remove the need to assess whether it contains personal data, confidential information, trade secrets, intellectual property or information subject to sector-specific restrictions. Access conditions, permitted purposes, data quality, anonymization, security and accountability will be critical to the usability of the proposed data ecosystem.

The Plan does not replace the existing obligations under Personal Data Protection Law No. 6698 ("DPL"). Artificial intelligence development and deployment involving personal data must continue to comply with the DPL's principles and processing conditions, including purpose limitation, data minimization, accuracy, retention limits and security. Special categories of personal data and transfers abroad require separate consideration. In addition, Article 11 of the DPL grants data subjects the right to object to outcomes arising against them through the analysis of processed data exclusively by automated systems.

The Turkish Personal Data Protection Authority's guidance on artificial intelligence also emphasizes a human-centered, transparent, accountable and privacy-respecting approach throughout the lifecycle of artificial intelligence systems. The future implementation of the Plan will therefore need to connect public-data initiatives and artificial intelligence innovation with the existing data protection framework, rather than treating access to data as an unrestricted policy objective.

IV. Data Centers, Cloud Services and the Meaning of Digital Sovereignty

The Plan sets a target of increasing Türkiye's installed data-center capacity to at least one gigawatt by 2030 and announces future legal rules to ensure compliance with international standards and energy-efficiency requirements. Together with existing incentive programmes for data centers and cloud-based artificial intelligence infrastructure, this creates potential opportunities for data-center operators, cloud service providers, energy companies and investors.

The concepts of sovereign artificial intelligence and digital sovereignty appear throughout the Plan. In this context, they are associated with domestic computing capacity, local model development, data security, reduced vendor dependency and the ability to preserve linguistic and cultural diversity. However, the Plan does not itself establish a general data localization requirement or prohibit the use of foreign cloud or artificial intelligence services. Any such obligation would require a clear legal basis and would need to be assessed together with the DPL's rules on transfers abroad and applicable sector-specific legislation.

Technology companies should nevertheless monitor the secondary legislation and administrative measures that may follow. Standards applicable to data centers, energy-efficiency criteria, cybersecurity requirements, public procurement conditions, interoperability expectations and rules for access to sectoral data spaces may have material operational consequences. The policy preference for domestic capabilities may also influence incentives and public-sector procurement, even where it does not create a formal market-access restriction.

V. Public-Sector AI and Opportunities for Technology Companies

The public sector is expected to act both as an early adopter and as a reference customer for domestic artificial intelligence solutions. This may expand opportunities for providers of models, cloud infrastructure, cybersecurity services and sector-specific applications. At the same time, artificial intelligence used in public services can directly affect individuals' access to rights and services. Procurement and deployment frameworks will therefore need to address accuracy, discriminatory outcomes, explainability, human review, auditability, security and allocation of responsibility between public authorities and private suppliers.

For international technology companies, the Plan presents a mixed but potentially favourable outlook. Türkiye is seeking private investment and global partnerships, while also prioritising domestic capacity and reducing technological dependency. Local-language performance, technical support, cybersecurity, interoperability and responsible data governance may therefore become increasingly important differentiators.

VI. Conclusion

Türkiye's Artificial Intelligence Action Plan does not yet constitute a comprehensive artificial intelligence law. It is, however, a significant policy statement that brings regulation, infrastructure, data, public procurement, skills and investment within a single governance framework. Its four pillars show that Türkiye intends to pursue artificial intelligence policy through both protective measures and active industrial policy.

The next stage will depend on implementation. The legal framework based on proportionate risk, the rules for data centers, the governance of the National Data Library and sectoral data spaces, and the conditions governing public-sector artificial intelligence procurement will determine the Plan's practical impact. Until those measures are published, companies should distinguish carefully between announced targets and existing legal obligations, while following legislative and administrative developments and strengthening their internal governance for artificial intelligence systems used in Türkiye.

Telecommunications Law

A ICTA's 2025 Activity Report: Key Developments in Digital Regulation and Enforcement

The Information and Communication Technologies Authority ("***ICTA***") published its 2025 Activity Report ("***Report***"), which provides an overview of ICTA's regulatory, technical, supervisory, consumer-protection, and internet-content activities during 2025.[24] The Report highlights several developments with direct relevance to stakeholders in the electronic communications and digital-services sectors, including forthcoming regulatory amendments, the expansion of digital trust services, the modernization of domain-name governance, and increased supervisory and enforcement activity.

I. Proposed Amendment to the Security Certificate Regulation

ICTA reported that work to amend the Regulation on Security Certificates for Electronic Communications Devices, published in the Official Gazette No. 27912 dated April 21, 2011, has reached its final stage and that internal institutional opinions have been obtained. ICTA plans to publish the amendment regulation in the Official Gazette during 2026. Although the Report does not describe the substance of the contemplated amendments, the announced timetable indicates that the certification framework applicable to electronic communications devices may be updated in the near term.

II. Electronic Signatures and Trust Services

The use of electronic signatures continued to expand under Electronic Signature Law No. 5070 ("***Electronic Signature Law***") and the relevant secondary legislation. According to data reported by Electronic Certificate Service Providers authorized by ICTA, the total number of qualified electronic certificates produced by the end of December 2025 reached 10,848,194, representing an increase of approximately 15% compared with the previous year. Of these, 2,978,313 remained active, consisting of 2,847,529 traditional qualified electronic certificates and 130,784 mobile qualified electronic certificates.

ICTA also updated the Communiqué on Processes and Technical Criteria Relating to Electronic Signatures in line with changes to the algorithms and security periods recognized under ETSI TS 119 312. In addition, Board Decision No. 2025_İK-BTD_11 dated January 14, 2025 was adopted to strengthen identity-verification measures for qualified electronic certificate applications and to inform existing certificate holders of the qualified electronic certificate inquiry service available through the e-Government Gateway. ICTA continued its 2024-2025 inspections of authorized service providers under Article 15 of the Electronic Signature Law and carried out legislative studies regarding potential amendments that may be required in light of the eIDAS Regulation and eIDAS 2.0.

III. Internet Domain Names and the Development of TRABIS

Under the Internet Domain Names Regulation, ICTA has been responsible for the allocation and administration of ".tr" domain names through the ".tr" Network Information System ("***TRABIS***"), which became operational on September 14, 2022. In 2025, ICTA focused on monitoring and improving the allocation processes for domain names structured as "a.tr", following completion of the three-stage transition process in 2024.

ICTA also continued using artificial-intelligence-supported systems to detect DNS abuse and prevent threats. The integration between TRABIS and the

[24] https://www.ICTA.gov.tr/s3/web-ICTA-site/7708c26c-5161-4919-8b3d-daa31d4ac8fb/2026/06/f74cfc1d-2faf-43ac-9475-7c2ff25c1498.pdf

AZAD system enabled newly allocated domain names to be scanned automatically after registration, and domain-name registrations found to involve abuse were cancelled. ICTA also initiated legislative and infrastructure work to ensure that domain-holder information remains accurate and current. Following the completion of the contemplated regulatory amendments, reports concerning the misuse of ".tr" domain names are intended to be collected centrally through trabis.gov.tr and registrars and evaluated within TRABIS.

Coordination and supervision activities concerning registrars and dispute-resolution service providers continued throughout 2025. Activity certificates were renewed for registrars whose initial three-year authorization periods expired; one registrar ceased operations, one new registrar commenced operations after completing testing and integration, and two further applications remained pending for completion in 2026. ICTA also completed the digitalization of financial and operational processes and began modernizing TRABIS applications, with completion targeted for the second quarter of 2026. Separately, work commenced on the Domain Name Sales Platform, which is intended to facilitate both the allocation of rights for previously unallocated domain names and sales of existing domain names between private parties under ICTA supervision.

IV. Electronic Identity Verification

The Regulation on the Authentication Process for Applicants in the Electronic Communications Sector ("***Identity Verification Regulation***"), which entered into force on March 1, 2022, enables applicant identity to be verified electronically for transactions concerning electronic communications subscriptions, number portability, changes of operators, qualified electronic certificate applications, and registered electronic mail applications. The Regulation was issued on the basis of the Electronic Signature Law, Electronic Communications Law No. 5809, and Article 1525 of the Turkish Commercial Code No. 6102.

The Identity Verification Regulation provides three principal methods: authentication through the e-Government Gateway, video identification through artificial intelligence or an authorized representative, and identity verification for in-person transactions. By the end of 2025, the application processes of 34 companies seeking to authenticate users through ICTA's integration with the e-Government Gateway had been completed, while 39 companies remained in testing. In total, 150 companies had integrated with the e-Government Gateway through ICTA and commenced electronic identity-verification processes under the Regulation.

V. Inspections and Enforcement Results

Article 59 of Electronic Communications Law No. 5809 authorizes ICTA to inspect natural and legal persons operating in the electronic communications sector either *ex officio* or upon a notice or complaint. In 2025, ICTA initiated 10 planned inspections, two unplanned inspections, and two preliminary examinations. Together with ongoing matters from previous periods, ICTA conducted a total of 43 planned inspections, six unplanned inspections, and 10 preliminary examinations.

Within the 37 inspections concluded in 2025, ICTA carried out 94 inspection activities involving 41 different operators. These resulted in 260 administrative monetary penalties, 108 warnings, 43 subscriber-refund measures, 5 authorization revocations, and the cancellation of 1 internet domain name. ICTA determined that sanctions were not required in relation to three operators and found no non-compliance in the activities of nine operators. In addition, 69 inspection requests were assessed under Article 10(2) of the Regulation on ICTA's Inspection Activities. The resulting administrative processes concerning 62 operators led to 143 administrative monetary penalties, 21 warnings, 31 subscriber-refund measures, and 4 authorization revocations.

VI. Consumer Complaints

A total of 279,276 complaints were submitted through ICTA's Consumer Complaint System in 2025, representing an increase of 43.74% compared with 2024. Internet service providers and GSM services accounted for the largest shares, with 125,243 and 120,705 complaints respectively. The most frequently reported subjects were contractual commitments, penalty clauses, and termination fees in the GSM sector; connection and service quality for internet service providers; billing for satellite-platform and cable-television services; subscription transactions for fixed telephony services; and complaints concerning branches, agencies, or personnel in the postal and cargo sector.

VII. Administrative Access-Ban Measures under Law No. 5651

The Report also provides the proportional distribution of access-ban measures imposed by ICTA as administrative measures in relation to the catalogue offences listed under Law No. 5651 on the Regulation of Publications on the Internet and Combating Crimes Committed Through Such Publications. Measures concerning the provision of a place or opportunity for gambling represented 61.51% of the total, followed by obscenity at 25.43%, prostitution at 11.35%, unlawful betting at 0.94%, and the sexual abuse of children at 0.65%. Collectively, these five offence categories accounted for 99.88% of ICTA's administrative access-ban decisions reported for 2025.

VIII. Conclusion

ICTA's 2025 activities reflect an increasingly integrated regulatory agenda combining digital trust, domain-name governance, consumer protection, technical supervision, and internet-content enforcement. The planned publication of amendments to the security-certificate framework, the modernization of TRABIS, the expansion of e-Government-based identity verification, and the volume of inspections and sanctions indicate that the initiatives undertaken in 2025 will continue to produce regulatory and operational developments during 2026. Companies operating in the sectors supervised by ICTA should therefore continue monitoring the forthcoming amendments and ensure that their technical systems, internal procedures, and consumer-facing practices remain aligned with ICTA's evolving requirements.

Compliance

The EU's New Anti-Corruption Directive: Key Changes and Compliance Implications

I. Introduction

On April 29, 2026, the European Parliament and the Council adopted Directive (EU) 2026/1021 on combatting corruption (the "***Directive***"), introducing the EU's most comprehensive anti-corruption framework to date.[25] The Directive was published in the Official Journal on May 11, 2026, entered into force on May 31, 2026 and generally requires Member States to transpose its provisions into national law by June 1, 2028, while certain preventive obligations will apply from June 1, 2029.

The new framework replaces and consolidates earlier EU instruments that dealt separately with corruption involving public officials and corruption in the private sector. At its core, the Directive aims to reduce differences between national anti-corruption regimes. It introduces common definitions of corruption offences, strengthens the rules on corporate liability and sanctions, and places greater emphasis on prevention, compliance and cross-border cooperation.

II. Scope

The Directive applies to corruption in both the public and private sectors. The Directive establishes minimum rules concerning corruption offences, sanctions, corporate liability and preventive measures. While Member States remain free to adopt stricter national standards, the Directive seeks to create a more consistent legal framework across the EU and reduce differences between national anti-corruption regimes.

That said, the Directive is relevant well beyond companies incorporated in the European Union. Once implemented into national law, it will apply wherever the jurisdictional requirements under the relevant national legislation are met. Under Article 18, Member States are generally required to establish jurisdiction where an offence is committed, wholly or partly, within their territory or where the offender is one of their nationals, while they may also extend jurisdiction in certain additional circumstances. As a result, multinational companies with subsidiaries, employees or commercial operations in the EU may become subject to investigations or enforcement under one or more Member States' implementing legislation.

In practice, the Directive is likely to be particularly relevant for businesses that regularly interact with public authorities, participate in public procurement, engage intermediaries or distributors, or maintain cross-border operations within the EU. For these organizations, the Directive should be treated as a significant compliance development rather than merely another routine legislative change.

III. Key Changes Introduced by the Directive

a. Key Offences

The Directive expands the range of conduct that Member States must criminalize. Rather than focusing primarily on bribery, Articles 3 to 11 establish a harmonized framework covering public and private sector bribery, misappropriation, trading in influence, unlawful exercise of public functions, obstruction of justice, enrichment from corruption offences and concealment.

One of the most important developments is the introduction of trading in influence as a harmonized offence under Article 6. The provision targets situations where an undue advantage is offered, promised, requested or accepted in exchange for improperly influencing a public official. Liability does

[25] https://eur-lex.europa.eu/eli/dir/2026/1021/oj (Last accessed on July 30, 2026)

not depend on whether the influence is ultimately exercised or produces the intended result. At the same time, the Directive distinguishes unlawful influence from legitimate lobbying and transparent interest representation, recognizing that ordinary advocacy activities should not be treated as corrupt conduct merely because they seek to influence public decision making.

The Directive also adopts a broader understanding of corruption by addressing conduct that facilitates, conceals or benefits from corrupt activity, rather than focusing solely on the payment or receipt of bribes. For businesses, this means that anti-corruption programs may need to extend beyond traditional bribery risks. Internal policies, third-party due diligence procedures and investigation mechanisms should be capable of addressing the wider range of conduct covered by the Directive.

b. *Corporate Liability*

The provisions on corporate liability are likely to have the greatest practical impact on businesses. Article 13 requires Member States to establish a framework under which legal persons may be held liable for corruption offences committed for their benefit. Liability may arise not only where a person in a leading position directly participates in the offence, but also where inadequate supervision or control enables a person acting under that individual's authority to commit the offence.

This approach places a big emphasis on organizational responsibility. In future investigations, authorities may examine not only whether misconduct occurred, but also whether the company maintained appropriate governance structures and oversight mechanisms capable of preventing or detecting corruption risks. Corporate liability does not exclude parallel criminal proceedings against the individuals involved, meaning that both the company and its officers or employees may face consequences arising from the same conduct.

The Directive also expressly recognizes the relevance of corporate compliance programs. Under Article 16, effective internal controls, ethics awareness measures and compliance programs may be treated as mitigating circumstances when sanctions are determined. Voluntary disclosure, cooperation with authorities and timely remedial action may also be considered. The Directive nevertheless focuses on whether these measures are effective in practice. Written policies that are not supported by appropriate risk assessments, training, reporting channels, third-party oversight and internal investigations are unlikely to carry significant weight.

c. *Penalties Applicable to Legal Persons*

Article 14 introduces a more robust sanctions regime for legal persons and requires Member States to provide for effective, proportionate and dissuasive penalties. A particularly significant feature is the use of turnover-based fines. For public and private sector bribery and misappropriation offences, Member States must provide for maximum fines of at least 5% of a company's total worldwide annual turnover or EUR 40 million. For trading in influence, obstruction of justice and enrichment-related offences, the corresponding threshold is 3% of worldwide annual turnover or EUR 24 million.

For multinational groups, these thresholds may lead to substantially greater exposure than fixed monetary penalties currently available under certain national regimes. Financial penalties may also be accompanied by other measures, including exclusion from public procurement or public funding, withdrawal of licenses or permits, disqualification from business activities, judicial supervision and, in serious cases, the winding-up of the legal person.

The Directive further strengthens the wider enforcement environment through measures concerning national anti-corruption strategies, sectoral risk assessments, specialized authorities, whistleblower protection, investigative powers, asset recovery and cooperation between national authorities and EU bodies. These measures are likely to support more coordinated enforcement across Member States, particularly in cross-border cases involving multinational businesses.

IV. Conclusion

Directive (EU) 2026/1021 represents more than a consolidation of existing anti-corruption legislation. By harmonizing corruption offences, strengthening corporate liability, introducing turnover-based sanctions and recognizing the role of effective compliance programs, it reflects the EU's intention to promote a more consistent and proactive approach to combating corruption.

Although businesses will ultimately be subject to the national laws implementing the Directive, the new framework shows the likely direction of future anti-corruption regulation. Companies operating in or through the European Union should consider using the period before the June 2028 transposition deadline to review their governance arrangements, anti-corruption policies, third-party risk management procedures and internal reporting mechanisms. Taking these steps early may not only facilitate compliance with future national legislation but also strengthen organizations' ability to prevent and respond to corruption risks in an increasingly coordinated European enforcement environment.

Employment Law

Turkish Constitutional Court Rules that Dismissal of Unquantifiable Employment Claims due to Lack of Legal Benefit Violates Right of Access to Court

I. Introduction

Article 107 of the Civil Procedure Code ("***CPC***") stipulates the concept of unquantifiable claims. This procedure allows plaintiffs to file lawsuits where they are unable to determine the actual amount of the claim. This is especially beneficial for employees in their lawsuits against employers. The distinction on whether a receivable may be determined by the plaintiff or not is debated in most of the lawsuits filed as unquantifiable claims. While there must be legal benefit to file an unquantifiable lawsuit, general practice of the courts is to provide leeway for plaintiffs, especially in employment lawsuits. Constitutional Court's Halil Dağdelen decision[26] reinforces this approach.

II. Background of the Dispute

The dispute originated from a lawsuit filed by an employee seeking collection of outstanding labour receivables, including annual leave pay against his former employer. The plaintiff filed all his claims

[26] Constitutional Court, Individual Application No: 2019/1844, 15.4.2025

as unquantifiable claims. While the first instance court accepted other claims of the plaintiff, which were also filed as unquantifiable claims, the claim for annual leave pay was dismissed on the grounds that the plaintiff is able to determine the amount of claim for annual leave pay when filing the lawsuit and therefore did not have legal benefit under Articles 114 and 115 of the CPC.

The plaintiff did not appeal this decision, but the defendant did. Upon evaluation, the High Court of Appeals concluded that severance pay, which was among the accepted claims, is also calculable prior to filing the lawsuit, and ruled that the severance pay claim must also be dismissed and reversed the first instance court's decision. Then the first instance court accordingly dismissed the severance pay claim alongside the annual leave claim and accepted the rest of the claims. Further to the plaintiff's appeal to this second decision, the High Court of Appeals rendered an approval decision, and the decision was thereby finalized.

III. Constitutional Court's Decision

Upon the finalized decision, the plaintiff filed an individual application before the Constitutional Court, arguing that his right to access to court, secured under Article 36 of Constitution was violated. The Constitutional Court evaluated the right to access court within the scope of right to a fair trial and assessed the matter from the perspective of Article 13 of Constitution, which allows proportional restriction of fundamental rights by law.

In its evaluation, Constitutional Court ruled that the lawsuit could have been considered in its fundamental qualification as a lawsuit for performance, and the Court could have ordered the plaintiff to clarify its claims, instead of directly dismissing the unquantifiable claims. Constitutional Court noted that dismissal without providing such options to the Plaintiff disproportionally violated the plaintiff's right to access to court.

In that regard, Constitutional Court concluded that the courts have various powers under CPC to remedy procedural deficiencies that are present in lawsuit petitions, indicating that dismissal of a lawsuit based on procedural deficiency must be the last resort. The Constitutional Court ruled that dismissing a claim solely because of a procedural deficiency that may be remedied by courts' powers per CPC is a disproportionate restriction on right to a fair trial.

IV. Conclusion

In its decision, the Constitutional Court notes that filing a lawsuit in complete compliance with procedure is necessary and dismissal on procedural grounds is an effective method for ensuring that the parties adhere to procedural rules, but it was also highlighted that such dismissal, in light of various powers of the court, might be disproportionate too and violate right to access the court.

This decision reinforces the established practice of employment courts in Türkiye, where employees are provided leeway in filing unquantifiable claims.

Intellectual Property Law

The High Court of Appeals Ruled That a Translated Book Title Possessing the Translator's Original Expression Warrants Copyright Protection.

I. Introduction

The statutory protection of literary and artistic works in Türkiye is established under the Law on Intellectual and Artistic Works No. 5846 ("***FSEK***"). Within this legislative framework, translations are explicitly recognized and protected as derivative works, provided they carry the distinctive intellectual characteristics of their creator.

Article 83/1 of FSEK introduces a safeguarding mechanism for identifiers of a text, stipulating that the names, signs, or forms of a work cannot be utilized in another work if such use is liable to cause confusion. Determining, however, the precise threshold at which a translated book title qualifies as an independent, legally protected intellectual creation is a legal challenge. In its decision27, High Court of Appeals evaluated this nuance.

Recently the 11th Civil Chamber of the High Court of Appeal, in its decision numbered E. 2025/12, K. 2025/4454, dated June 24, 2025, addressed this matter and evaluated the originality of a translated book title and its eligibility for standalone copyright protection.

II. The Dispute and First Instance Court's Decision

Heir of the renowned translator, Aydın Emeç, filed a lawsuit against one of the most prominent publishers in Türkiye. The lawsuit concerns the famous "*Meu Pé de Laranja Lima*" (known as My Sweet Orange Tree) by José Mauro de Vasconcelos, which was translated into Turkish by Aydın Emeç with the unique title "*Şeker Portakalı*"[28]. The plaintiff argued that the initial translation of the book, including its unique title, was made by Aydın Emeç. Then, the publisher printed 131 editions of the book with different translations but continued to use the unique title. The plaintiff requested an order to cease the use of the title and claimed for pecuniary and non-pecuniary compensation. The defendant argued that the title did not have any distinct characteristics, was not an original creation and did not enjoy protection under Article 53 of FSEK.

The first instance court dismissed the lawsuit on the grounds that a translated title was not a separate derivative work entitled for protection under FSEK. This decision was upheld by the Regional Court of Appeals too.

III. The Decision of the High Court of Appeals

Upon appeal, the High Court of Appeals evaluated whether the title "*Şeker Portakalı*" had any intellectual characteristic tied to translator's personal artistic style or not.

In its evaluation, the High Court of Appeals did not side with the first instance court's assessment and the expert reports obtained during the lawsuit and pointed out to the fact that the translator did not make an *in verbatim* translation of the original title in Portuguese. The High Court of

[27] High Court of Appeals, 11th Chamber, E. 202aaa5/12, K. 2025/4454, T. 24.6.2025.

[28] The title translates back to English as "*Candy Orange*".

Appeals also noted that the original title refers to a “tree” and the remark “sweet”, but the translated title does not have these references. Accordingly, the High Court of Appeals ruled that the title was a “unique” creation and therefore must be awarded copyright protection. As a result, the High Court of Appeals rendered a reversal decision.

IV. Conclusion

In its decision, the High Court of Appeals’ decision focuses on the issue of whether an artistic work is unique and distinctive or not, instead of merely focusing on the type of work in question. This means that in evaluating a work’s eligibility of copyright protection under Article 83 of FSEK, a test of uniqueness must be made.

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