

THE AMENDMENTS INTRODUCED BY THE LAW NUMBERED 7226 REGARDING THE AMENDMENT OF CERTAIN LAWS

The Law numbered 7226 Regarding the Amendment of Certain Laws (“**Law**”) has been published in the Official Gazette dated 26.03.2020 and numbered 301830, entering into force following its publication. Within this bulletin, you may kindly find our evaluations on the provisions brought for the purpose of preventing the loss of rights in litigation processes in particular with regards to the Covid-19 pandemic, together along with provisions with regards to employment and rental law, amongst other amendments introduced by the Law.

A. THE JUDICIARY PERIODS INDICATED IN THE LAW NO. 7226 HAVE BEEN SUSPENDED UNTIL 30 APRIL 2020.

Due to the Covid-19 pandemic, the judiciary periods specified in the Provisional Article 1 of the Law have been suspended in order to prevent the loss of legal rights. The suspended judiciary periods have been listed below based on the time intervals suspended.

1. Judiciary periods suspended as of 13.03.2020 until 30.04.2020

- a)** Periods regarding the establishment, exercise, or abolishment of a right, including periods for filing lawsuits, the initiation of execution proceedings, applications, complaints, objections, notices, notifications, submission periods, prescription periods, together along with the mandatory administrative application terms,
- b)** Periods regulated under the Administrative Procedure Code, the Criminal Procedure Code and the Civil Procedure Code and the periods determined with respect to the parties in other laws containing procedural regulations, and periods determined by the judges,
- c)** Periods in mediation and reconciliation proceedings.

2. Judiciary periods suspended as of 22.03.2020 until 30.04.2020

- a)** Periods specified in the Enforcement and Bankruptcy Law and other laws regarding enforcement law, and periods determined by judges or enforcement and bankruptcy offices in this regard, as well as all enforcement and bankruptcy proceedings, except for alimony payments, acceptance of requests for new execution and bankruptcy proceedings, and operations regarding the exercise and enforcement of interim injunctions.

The suspended terms will resume as of the day following the end of the suspension period pursuant to clause (b) of paragraph 2 of the Provisional Article 1. In case 15 or fewer days has remained for the expiry of a term as of the beginning of the suspension period, that term shall be deemed to be extended for further 15 days starting from the day following the end of the

suspension period. The President of the Turkish Republic shall be entitled to extend the suspension period for once, for a maximum period of 6 months, and limit the scope of the suspension in case the pandemic continues.

3. Judiciary periods excluded from the Law's scope

Second clause of the Provisional Article 1 regulates that the periods mentioned below are excluded from the scope of the Law and therefore shall continue.

- a) Prescription periods regulated under the relevant laws for crimes and punishments, misdemeanors and administrative sanctions, disciplinary imprisonments and preventive detentions,
- b) Periods regulated under the Law numbered 5271 regarding precautionary measures,
- c) Periods regulated under the Law numbered 6100 regarding procedures complementary to interim injunctions.

4. All other measures taken within the scope of certain laws in relation to the Enforcement and Bankruptcy Law and law of execution

In accordance with the third clause of the Provisional Article 1 of the Law numbered 7226,

- a) In case the day of sale (auction) announced by the enforcement and bankruptcy offices regarding goods or rights remains within the suspension period, the day of sale (auction) for such goods and rights shall be determined by the enforcement and bankruptcy offices without requiring a new request. In such a case, the sale announcement shall be made only electronically and without charge.
- b) Payments willingly made within the suspension period shall be valid and one of the parties may request to take actions in favor of the other party.
- c) The consequences of the legal debt composition during such period shall continue both for the debtor and the creditor throughout the suspension period.
- d) Other measures shall be taken in order to prevent the failure of enforcement and bankruptcy services.

B. TERMS OF APPLICATION FOR THE SHORT-TERM WORK HAVE BEEN FACILITATED

Certain amendments relating to the terms to benefit from the short-term work in the Unemployment Insurance Law numbered 4447 have been introduced by the Law numbered 7226.

Accordingly, the condition for being subject to the employment agreement for the last 120 days before the commencement date of short-term work has been reduced to 60 days, and the

term of payment for the unemployment insurance premium in the last three years has been reduced from 600 to 450 days.

Additionally, it has been regulated that the employer shall not dismiss any of its employees during the term of short-term work, except for dismissals due to justifiable reasons.

C. THE PERIOD FOR COMPENSATORY WORK HAS BEEN EXTENDED

Compensatory work regulated under article 64 of the Labor Law shall be applicable in cases where work has stopped entirely for compulsory reasons, the workplace has been closed before or after national and public holidays, or due to similar reasons, the time worked has been considerably lower than the normal working hours, or if work has been completely suspended or if employees are granted leave days upon her/his own request.

The period for compensatory work has been extended from 2 months to 4 months pursuant to the Law numbered 7226. The President of the Turkish Republic has been entitled to double this period.

D. A REGULATION HAS BEEN PUT IN PLACE REGARDING THE INABILITY TO PAY FOR WORKPLACE RENT

According to the Provisional Article 2 of the Law, the failure to pay the workplace rent between the dates of 1 March 2020 and 30 June 2020 shall not constitute a basis for the termination of rental agreements or evictions.

Kindest Regards,

Koyuncuoğlu & Köksal Law Firm

* As the explanations given in our newsletter are prepared pursuant to the legislation in effect in the Republic of Turkey and the disclosures made to the public by the relevant official authorities, in case of uncertainty, we advise you to seek advice and support from us before the final transactions are carried out. Otherwise, our Law Firm cannot be held responsible for the actions to be taken on the basis of the explanations contained herein and the consequences of such actions.