



BANKING
REGULATION AND SUPERVISION
AGENCY

18.07.2002

PETITIONS FOR THE DISPUTES REGARDING THE FUND BANKS SHALL BE DIRECTED TO THE APPROPRIATE ADDRESSEE

The Banking Regulation and Supervision Agency is a legal institution having administrative and financial autonomy which has been established in order to ensure the execution of the Banks Act Nr. 4389 and other related legislation also through issuing regulations within the framework of the authorities granted by the Act, to audit and finalize the activities, to safeguard the rights and benefits of depositors and to carry out other duties and use the authorities granted by the Act. The Savings Deposit Insurance Fund, on the other hand, is an institution with the status of a separate legal entity having its own property and an independent decision-making body which is charged and authorized for insuring savings deposits in banks, strengthening financial structures of banks, the shares and/or management and supervision of which have been transferred to it pursuant to Article 14, restructuring of such banks and their transfer to third parties and carrying out other duties entrusted by the Banks Act Nr. 4389.

The SDIF decisions are being separately made and independent legal proceedings are being carried out by the SDIF Board on a bank, the management and control of which has been transferred to the Fund following the resolution of the BRSA Board, within the scope of the provisions of the Banks' Act.

However in practice, lawsuits against the Agency are commenced for the resolutions adopted by the SDIF Board since the fact that the Agency and the Fund are separate legal entities is not taken into consideration.

Besides, due to the disputes regarding the Fund banks, several natural persons and legal entities have issued notices addressing the Agency through notaries, filed lawsuits against the Agency, carried out enforcement proceedings and served notices of attachments based on the Enforcement and Bankruptcy Act No. 2004 and the Act on the Procedures for the Collection of Public Receivables with No. 6183. Indeed, as a result of the resolutions adopted by the BRSA and the SDIF Boards, the intervened bank reserves its status of a legal entity same as before and only its management and supervision along with its shares are transferred to the Fund. Thus, the addressee for these transactions shall directly be the bank itself as legal entity rather than the Agency.

Otherwise, not only the process to acquire their rights will be prolonged for the concerned parties, but they will also bear various court and follow-up expenses as legal obligation in view of the fact that our Agency consists no part in dispute. Additionally, responding the lawsuits, follow-ups and notices of attachments causes unnecessary time and work losses to the Agency and public resources are being used in order to follow such proceedings.

It has been deemed proper to inform on the issue the persons who are likely to initiate proceedings with a view to solve a legal dispute.