

# Turkey

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## Emre Gökhan Atayılmaz

**Denton Wilde Sapte & Güner  
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June 2003 saw the new Labour Law 4857 come into force, the purpose of which was the regulation of working conditions as well as the rights and obligations of employers and employees. This was considered by many to be part of the harmonization process of Turkish law with EU legislation. The Law introduced various new regulations that will have a big effect on Turkish employment law.

The most important regulation is the introduction of enhanced job security by requiring employers to provide a *valid reason* when terminating the employment contract of an employee. However, there is an exemption from this valid reason requirement in the Law, which applies to: (i) the employer's representative who manages the entire business undertaking, and their assistants (that is, general managers or deputy-managers); and (ii) the employer's representative who manages the entire workplace and is empowered to enter into or terminate employment contracts.

Article 18 of the Law, which deals with the valid reason requirement, states that any employer having 30 or more employees must provide a valid reason for terminating the contract of an employee, based on the employee's skills, attitude or the requirements of the business. Article 18 does not go into detail as to what these valid reasons are. However, it does set out examples of what will *not* constitute a valid reason. These include race, religion and gender of an employee, an employee's membership of a trade union, making a complaint or commencing proceedings against the employer, and so on.

The legal grounds that were discussed during the enactment of the Law can be taken as an indication as to what can be constitutes a valid reason under the Law. What constitutes a valid reason for terminating an employment contract are grounds that relate to the employee or the workplace.

### *Grounds relating to the employee*

The grounds relating to the employee are divided into two: (i) grounds arising from the skills of the employee; and (ii) grounds arising from the attitude of the employee. Examples of grounds

related to the skills of the employee include lower level of performance than that of an average employee, frequent illness and unavailability for a specific job. Examples of grounds related to the attitude of an employee include the employee continuing to produce unsatisfactory work despite warnings, provoking other employees against the employer, being involved in unnecessary and frequent quarrels, and frequently arriving late at work.

### *Grounds relating to the workplace*

The grounds relating to the workplace are again divided into two: (i) grounds arising from the business; and (ii) grounds arising out of the workplace itself. Examples of grounds arising out of the workplace include a fall in sales, a fall in demand and orders, a shortage of energy, financial trouble in the country, a recession in the market, loss of foreign market and a shortage of raw materials. Examples of grounds arising from the workplace include the introduction of new working methods or new technology, a shortage of space in the workplace, the dissolution of some departments or of some jobs, and so on. These will only constitute a ground if they make the continuation of work in the workplace impossible.

As stated above, there are various examples of legal grounds. However these are just that – examples – and in deciding whether the valid reason requirement has been fulfilled, the court will look at the particular facts in each case. In this respect, the interpretation of the Court of Appeal, whose decisions are usually followed by the lower courts, plays a major role. At the time of writing, the Court of Appeal interprets the valid reason requirement strictly, and allows termination of an employment contract only as a last resort.

It is possible for employees whose employment contracts have been terminated to claim that valid reasons for termination did not exist. If this happens, the employee's case will be heard by the employment court or by an arbitrator. If the court or arbitrator decides that the termination was not based on a valid reason, then it can rule that the employee is entitled to resume employment no later than one month after the date of that ruling.

In the event that the employer does not allow the employee to resume their employment, the court or arbitrator must also determine the amount of compensation to be paid to the employee. The Law provides that compensation should be equal

to between four and eight months' salary of the employee. Furthermore, whether or not the employee resumes their employment, the employee will be entitled to a payment of up to four months' accrued salary and other payments, as compensation for being unemployed during the proceedings. If the employer gives permission to the employee to resume their employment, then any severance payment or payment in lieu of notice paid to the employee should be deducted from the payment to be made to the employee.

## Banking

### Recommended firms

Tier 1

**Birsel Law Offices**

**Derman Ortak Avukat Bürosu**

**Hergüner Bilgen Özeke**

**Pekin & Pekin**

Tier 2

**Çakmak Ortak Avukat Bürosu**

**M Fadlullah Cerrahoglu Law Offices**

**Paksoy & Co**

**Pekin & Bayar Law Firm**

**Reisoglu-Ensari-Budak Law Firm**

Tier 3

**Bircanoglu & Bircanoglu**

**Hidayetoglu & Co**

**Özel & Özel**

**Somay Hukuk Bürosu**

**Tekinalp Lawyers**

Tier 4

**Çaga & Çaga**

**Poroy & Ozulku**

**Yarsuvat Law Firm**

## Capital markets

### Recommended firms

Tier 1

**Derman Ortak Avukat Bürosu**

**Hergüner Bilgen Özeke**

**Pekin & Pekin**

Tier 2

**Birsel Law Offices**

**Dogru Law Office**

**Özel & Özel**

**Pekin & Bayar Law Firm**

**Paksoy & Co**

Tier 3

**Bircanoglu & Bircanoglu**

**Çakmak Ortak Avukat Bürosu**

**Reisoglu-Ensari-Budak Law Firm**

**Serap Zuvin Law Offices**

**Taboglu & Ates**

## Mergers and acquisitions

### Recommended firms

Tier 1

**Derman Ortak Avukat Bürosu**

**Hergüner Bilgen Özeke**

**Pekin & Pekin**

Tier 2

**Birsel Law Offices**

**M Fadlullah Cerrahoglu Law Offices**

**Pekin & Bayar Law Firm**

**Taboglu & Ates**

Tier 3

**Bircanoglu & Bircanoglu**

**Çakmak Ortak Avukat Bürosu**

**ECE Guner Unlu Law Offices**

**Gürcan Law Offices**

**Özel & Özel**

**Paksoy & Co**

**Poroy & Ozulku**

**Yarsuvat Law Firm**

## Project finance

### Recommended firms

Tier 1

**Birsel Law Offices**

**Çakmak Ortak Avukat Bürosu**

**Derman Ortak Avukat Bürosu**

**Hergüner Bilgen Özeke**

Tier 2

**Bircanoglu & Bircanoglu**

**Paksoy & Co**

**Pekin & Bayar Law Firm**

Tier 3

**Özel & Özel**

Tier 4

**Reisoglu-Ensari-Budak Law Firm**

**Serap Zuvin Law Offices**

**Taboglu & Ates**

### Bircanoglu & Bircanoglu

Appearing for the first time in the rankings this year, Bircanoglu & Bircanoglu has developed a solid presence in the Turkish legal market, and over the past year has won roles across the board on some high-profile deals.

In banking the firm advised large Turkish industrial group Gunkol-Teba in relation to a \$20 million conversion loan deal granted to it by the International Finance Corporation. In capital markets, meanwhile, the firm was experiencing a real upturn in mandates at the time of writing, and was advising a Turkish-English joint venture on a proposed initial public offering (IPO) on the UK Alternative Investment Market (Aim) and representing a Turkish group on a similar proposed Aim-listed IPO.

M&A highlights saw the firm act for a private investor in relation to its purchase of a majority stake in Garanti Balfour Beatty Company in Turkey, and advise Turkish and UK private investors when they acquired a majority stake in a well-known Turkish securities company.

But project finance is where the firm really shines, and even in a quiet market it has been busy on a range of matters. Among the notable mandates, the firm acted for a large Turkish group in relation to the \$130 million acquisition of a public-private partnership project in Romania, advised the borrower (the local subsidiary of a Turkish-British joint venture company) on the provision of a senior loan deal regarding a build-operate-transfer project in Romania, represented Garanti Koza in relation to the financing of the Century 21 Towers (a landmark business area development consisting of two skyscrapers and shopping mall), and acted for the contractor, a big Turkish construction company, in connection with the development of a complex consisting of 3000 residences in northern Cyprus on a turnkey basis.

#### Key contact partner

Erol Bircanoglu

#### Birsel Law Offices

Birsel is a widely respected firm with a strong presence in the Turkish corporate and commercial law sector. The firm offers a plethora of services, extending to advice on project finance, mergers and acquisitions, capital markets and banking.

The banking practice is headed by Mahmut Tevfik Birsel and Arzu Aksac Yesilirmak. Over the past year Sezen Özcan and Hazal Isik have joined the banking team as associates, while in the same time frame, associate Güniz Gökce has left. These personnel movements mean that the count in the banking team stands at two partners and 11 associates. From the group, one associate is US-qualified. Recent work has included advising Fortis Bank in relation to financing the acquisition of an 89% stake in Türk Dis Ticaret Bankasi. The vendor consisted of a consortium of domestic institutions, and the deal was valued at €985 million (\$1.2 billion). The firm also advised Akbank as it acquired a 26.67% stake in BNP-Ak-Dresdner Bank. This time the vendors were BNP Paribas, Soci t  Jovacienne de Participations and Dresdner Bank and the deal, concluded in January 2005, was valued at €57.29 million. Other banking clients have included WestLB, UFJ Bank, American Express Bank, and also Citibank, which came to the firm over a \$270 million term facility loan to T rk Hava Yollari.

The capital markets practice is also strong, and recently advised Israeli law firm Gornitsky & Co in relation to the public offering and sale of shares in Petkim Petrokimya Holding. The team from Birsel that worked on the deal included Arzu Aksa , Beg m Durukan, Serkan Pamukkale and Sezen  zcan, and the deal was concluded in April 2005. Further capital markets work included counselling Euroclear, which came to the firm for advice on the Turkish law aspects of buying and selling stocks through the Euroclear system, and acting for the ABB Group when it turned to the firm for

guidance on an employee share acquisition plan involving Swiss-listed stocks.

The firm also retains a respectable M&A capacity, which has been busy over the past year. In July 2004 Birsel advised the TPG Group in relation to the acquisition of 50% of the share capital of TNT Lojistik ve Dağıtım Hizmetleri, held by Koc Holding, Ram Dis Ticaret and Temel Ticaret ve Yatırım by TNT Logistics Holdings, David Lamolinara and Hans-Joachim Kochon. At the start of 2005 the firm acted for Akbank when it bought a 26.67% stake in BNP-Ak-Dresdner Bank from BNP Paribas, Soci t  Jovacienne de Participations and Dresdner Bank, and the following month represented Alstom and PH Ventures on the transfer of 30.5% share stake of Birecik Baraj ve Hidroelektrik Santrali Tesis ve Isletme to Summit Global Management IV.

Birsel is highly regarded for its project finance work, and recently advised the senior lenders in connection with the financing of the Kusadası Port project. This \$29.3 million deal was overseen by Birsel lawyers Asli Pamukkale, Melek Onaran Y ksel and Sezen Ozcan. CMS Hasche Sigle was another client, for which Birsel prepared the security package in connection with the financing of the \$71 million Marport project. Other clients included Dresdner Bank, which turned to the firm for advice in relation to the transfer of 25% of RWE Power's shares in Iskenderun Enerji  retim ve Ticaret to Oyak, and also the International Finance Corporation, which the firm advised on \$20 million-worth of improvements to the Acibadem Hospital.

Among the year's other highlights, Banca Intensa sought Birsel's advice in relation to a \$150 million release of pledges established in favour of Banca Intensa over the shares of Dogus Holding, MGA Entertainment came to the firm for intellectual property advice over an infringement issue, and Sabbagh Sarabati sought advice in connection with setting up a foreign capital company in Turkey and resolving ensuing employment issues.

#### Key contact partners

Arzu Aksa 

Mahmut Tevfik Birsel

####  aga &  aga

 aga &  aga appears in the rankings this year for banking work, after a series of recommendations from market observers who point to this firm's growing market presence.

Erdem Degerli is the head of the firm's banking practice, and he heads a team of three lawyers that advises both domestic and international financial houses on loan agreements, put and call option transactions, and also credit derivatives and swaps.

The firm also retains a buoyant capital markets practice, which has recently been providing advice on transactions to petrochemicals companies and media entities. The firm advises clients in English, German and French.

#### Key contact partners

Barbaros  aga

Erdem Degerli

Idil  aga Degerlil

## Çakmak Ortak Avukat Bürosu

Çakmak Ortak works closely with US law firm White & Case, and is based in Ankara, from where it is able to secure large and impressive project finance deals.

Recent banking work has included advising on a \$831 million commercial loan facility for the Eastern Black Sea coastal state roads project. During the deal, Çakmak represented Türkiye Garanti Bankası on a loan to the Republic of Turkey, the largest commercial loan facility ever granted to the Turkish Treasury. The deal itself involved 12 sub-projects that required the construction of 582 kilometres of road and tunnel. Mine H Taygun was the lawyer overseeing matters.

A further deal saw the firm advising Akbank during a \$500 million syndicated term loan facility. This syndicate included some 29 banks, and was the largest syndicate ever seen in a Turkish bank loan.

The heads of the banking and capital markets department at the firm are Mesut Çakmak and Mehtap Yildirim-Ozturk, and the practice team consists of two partners and eight associates. Recent deals have included advising construction company Limak on a \$230 million loan from a syndicate of banks granted in connection with the sale of shares in Tekel, a state-owned entity producing and marketing alcoholic drinks. Çakmak also advised MoneyGram in relation to the development of a new product in Turkey, which will take transactions out of MoneyGram's existing will-call system and allow direct delivery of funds into a bank account, onto a stored value card or to an individual's home. Mehtap Yildirim Öztürk was the partner in charge of this deal, which was completed in April 2005. Visa International remains a regular client, which has sought advice from the firm on various banking law, matters, as is HSBC, which came to the firm for guidance over general compliance with Turkish competition and banking legislation.

Mergers and acquisitions is also a strong suit for the firm, and is regarded as a field in which it is becoming more visible. In July 2004 the team advised Mission Energy on the sale of Doga Enerji, and in the same month acted for the Inmet Mining Corporation when it turned to the firm for advice in relation to its \$48 million purchase of shares in its subsidiary, Cayeli Bakır İşletmeleri, that were held by the government. Other clients include Ineos Vinyls and Zoa Severstal, which received advice in relation to the notification of their acquisitions to the Turkish and Italian competition authorities respectively, and Jaap Poll, which the company advised over the natural gas exploration and development projects in Thrace in a joint venture with Merty Energy & Petrako Petroleum.

The firm's project finance credentials are also admirable. Among the year's highlights, it recently advised PSEG Global on a \$1 billion claim against the Turkish Republic concerning the Konya Ilgin power project. As well as this, the firm provided advice on the \$1.25 billion 1210MW imported coal-fired power plant in Iskenderun. This deal was the largest of its kind seen in Turkey, and involved input from Chase Manhattan Bank, which came in on the deal as financial advisor. Further deals included the \$178.5 million Edison Mission deal, which involved advising on a 180MW gas-fired plant in Esenyurt,

Istanbul, and acting for Enron, Midlands Electricity, the Wing Group and Gama on a \$600 million energy plant project.

### Key contact partners

Mesut Çakmak  
Mehtap Yildirim Öztürk

## Derman Ortak Avukat Bürosu

There are three partners and 10 associates in the banking team at Derman Ortak, another local firm that works closely with leading international outfit White & Case. The banking practice here is headed by Mine Taygun, a practitioner who, according to one interviewee, "knows her job well, and who guides and advises both legally and on business points and implications as well ... she benefits from a banking background."

Developments in banking this year have included large mandates to act on an increased number of syndicated loan deals as well as trickier instructions. For example, Finansbank (the country's fifth-largest bank) turned to the firm for advice on a \$200 million Tier II note issue of step-up subordinated callable notes supported by political risk insurance. Among the other highlights, the firm advised Standard Bank as lead manager of a \$500 million syndicated term loan granted to Vakıfbank, and represented Türkiye Garanti Bankası as agent of a \$831 million loan to the Republic of Turkey for the financing of the Eastern Black Sea coastal state roads project. Further clients included Akbank, which required advice over a \$500 million term loan facility, and also TSKB, which was the borrower in a \$120 million term loan deal.

The capital markets capacity at Derman Ortak is formidable, and caused one competitor to remark, jokingly: "We don't want to see them anywhere! They're our number one opponent and a good firm." Aydin Düren is the practice head, and has recently been advising Pioneer Funds on the registration of several Luxembourg funds with the Turkish Capital Markets Authority. These registrations were the latest in a series of registrations in Turkey in recent years, the highest-profile of which was the registration of Udam funds by UBP-Eczacıbaşı. These registrations arise from legislation introduced in 2002 that requires funds to prepare a detailed offering documents and a lengthy application document.

The Turkish bottlers of Coca-Cola also came to the firm for advice, seeking guidance in relation to its equity offering – the first such deal to emanate from Turkey, which was ongoing at the time of writing. Among the year's other capital markets highlights, in September 2004 Denizbank came to the firm for advice in relation to its \$280 million initial public offering (IPO), and Deutsche Bank sought help when, along with Garanti Securities, it underwrote the IPO of Dogus Otomotiv's shares. At the time of writing, the firm was busy advising Vakıfbank on its \$300 million issue of five-year bonds, managed by ABN Amro, Citigroup Global Markets and JP Morgan.

Derman Ortak's mergers and acquisitions practice is also strong. The firm recently assisted a subsidiary of Deutsche Bank with its acquisition of the first-ever set of non-performing loans to be sold in Turkey. Aydin Düren oversaw this deal, which was

concluded in early 2005. Another client was TEB (the financial services division of the Colakoglu Group), which Derman Ortak advised in relation to the joint venture between BNP Paribas and TEB, valued at \$216.8 million and completed in February 2005. Other M&A clients include 4B, Esas Holdings and Carrefour, which the firm assisted in the acquisition of 60% of the shares of Gima, and 55.9% of the shares of Endi from the Fiba Group. When completed, this transaction is expected to leave Carrefour as the clear market leader in the Turkish supermarket sector.

The firm's project finance department is also well respected and, although the Turkish project finance market has been quiet over the last year, Derman Ortak has won roles on the few deals around. In one highlight, it recently finished representing Colakoglu Metalurji in relation to various equipment and machinery supply agreements surrounding the expansion of its plant. Derman partner Refika T Tuzun-Bird oversaw this deal.

#### Leading lawyer

Emre Derman

#### Key contact partners

Emre Derman

Aydin Düren

#### Hergüner Bilgen Özeke

Umit Hergüner, Hakki Gedik and Gökhan Eraksoy are the joint heads of the banking practice at Hergüner Bilgen Özeke. Over the past 12 months the team has seen the arrival of five new individuals, four associates and one partner, Hakki Gedik, meaning that the banking practice now stands at three partners and nine associates. Three of the nine associates are US-qualified.

Hergüner represented a French bank in relation to the financing of its acquisition of 50% of the financial holding company TEB Mali Yatırımlar, which owns 84.25% of the publicly listed Türk Ekonomi Bankası. The deal was completed in early 2005 and was valued at \$216 million. The Islamic Development Bank (IDB) was another client, turning to the firm for advice in connection with the financing of a Turkish home appliances company through *sukuk* agreements. Hergüner conducted due diligence, drafted and negotiated the *sukuk* finance documents and established security over the IDB's receivables that was compatible both with Turkish law and with the IDB's Islamic banking practices. The deal was valued at €21.1 million (\$25.72 million). Among Hergüner's other banking highlights, the firm advised on €160 million-worth of financing provided to Arçelik for the development of new technologies and product designs, and provided advice in relation to the \$100 million securitization of future receivables of Akbank.

Umit Hergüner heads the three-partner, 10-associate capital markets team, which has developed an excellent reputation for advising clients on all aspects of capital markets transactions. Clients include domestic and international high-profile brands, which cite Hergüner as being "industrious and with good contacts."

Hergüner has a large M&A capacity that is fronted by Ender Özeke, Itir Sevim-Çifçi and Senem Ismen. This estimable team

has advised on various privatizations, acquisitions in major financial institutions and energy companies. Among the standout deals, the firm worked on the acquisition of a majority stake in publicly listed company Çimentas-Izmir Çimento Fabrikası Türk, one of the top cement producers in Turkey, by Cementir – Cementerie del Tirreno, one of Italy's biggest cement producers.

And the quiet project finance market has also provided the firm with some work, particularly in the energy production sector. For example, in the last non-recourse project financing deal in the Turkish energy sector under the build-operate model, Hergüner acted for Tractebel, a Belgian multinational energy and infrastructure services company, and the project company in relation to the development and financing of a 763MW gas-fired power in Ankara. The firm also acted for a German power company with respect to the sale of its 25% interest in Iskenderun Enerji Üretim ve Ticaret, a build-operate company charged with the job of designing, financing, establishing and operating a 1,210MW independent imported coal-fired power at Sugozü in southern Turkey, and represented three project companies when Enka acquired (in two tranches) most of the project companies' shares that were held by Intergeren.

Hergüner also provides legal assistance to the consortium of oil companies in the multibillion-dollar Baku-Tbilisi-Ceyhan pipeline project, which won the *IFLR* award for European project finance deal of the year in 2004.

#### Leading lawyers

Umit Hergüner

Ender Özeke

#### Key contact partners

Gökhan Eraksoy

Umit Hergüner

Ender Özeke

#### Özel & Özel

Özel & Özel boasts a strong M&A capacity, and the M&A practice is headed by name partner Haluk Can Özel. The association with Salans continues to benefit the firm, and as a result Özel's position in the tiers remains solid. M&A deals have included representing Altadis in relation to the privatization of 100% of the shares in the Tekel Cigarette Company, advising on the privatization of Turk Telecom, and providing guidance to Turkcell İletişim Hizmetleri in connection with its acquisition of Digital Cellular Communications shares.

In the banking sector, meanwhile, the firm advised DnBNor Bank and ABN Amro in relation to the financing of two ferries by Istanbul Fast Ferries, a deal that was overseen by a team comprising Haluk Can Özel, Onur Kordel, Orkun Günçan and Alican Babalıoğlu.

Further clients of the firm have included Johnson Diversey, Tupperware and Dell.

#### Key contact partner

Haluk Can Özel

## Paksoy & Co

Paksoy has an impressive list of clients, and has recently been providing advice on a *murabaha* syndicated loan to Petrol Ofisi, the leading domestic petroleum distribution and marketing company. The loan was worth \$92.5 million and granted to Petrol Ofisi by the Citi Islamic Investment Bank. Paksoy also advised Petrol Ofisi in connection with its \$75 million bond offering and subsequent listing on the Luxembourg Stock Exchange.

Paksoy was also involved in the Yapı Kredi Bank (YKB) deal, which involved the purchase of YKB shares by Gruppo Unicredito Italiano and Kocbank. The deal was valued at \$2 billion and saw input from a team of lawyers led by name partner Serdar Paksoy. And, in one of the largest block trades in the history of the Turkish equity markets, the firm represented Creditanstalt Investment Bank in relation to its purchase of shares in Garanti Bank. At the time of writing, Paksoy was also acting on the intended initial public offering (IPO) of Coca-Cola Icecek the Coca-Cola bottling company in Turkey, and acting as legal counsel to JP Morgan and UBS in relation to the IPO of 21.89% of new shares in VakıfBank, one of the largest Turkish banks.

The firm has also handled its fair share of project finance work, a recent example of which saw the firm instructed to act on the BTU Power deal. This deal was run along the build-operate model and involved the indirect purchase of shares in Turkish energy generation companies. Paksoy advised BTU Power on this deal.

Further clients have included Dow Chemical, which came to the firm for advice in relation to its Turkish subsidiaries, Cisco Systems, which sought advice in relation to its operations in Turkey, including the establishment of its wholly owned Turkish subsidiary, Ikea, which sought advice over corporate law issues arising from a joint venture in Turkey, and Sony, which sought advice in relation to an international joint venture and associated transactions to spin-off Sony's music operations.

### Key contact partner

Serdar Paksoy

## Pekin & Bayar Law Firm

Pekin & Bayar Law Firm is the new name of M Fethi Pekin and Sefika Pekin. The firm has offices in Istanbul, Izmir, Ankara and Adana.

Sefika Pekin heads up the firm's M&A operations, and manages a team of four partners and 10 associates. Recent M&A clients have included Banca Intensa, which the firm advised on a \$1.2 billion share acquisition, and Zorlu Holding, which came the firm for advice in relation to the privatization of Tupras by a block sale of shares in a deal worth \$1.3 billion. Pekin & Bayar also represented British American Tobacco during the \$1.1 billion privatization of Tekel.

Selin Bayar heads the capital markets team, which counts an impressive array of international financial institutions among its clients, including Credit Suisse First Boston and Merrill Lynch.

The year's highlights have included acting for Vestel Electronics in relation to its \$200 million high-yield bond issue and representing AFM, Reysas FinansInvest and the Vestel/Zorlu Group on their initial public offerings.

The Zorlu Group also turned to the firm for advice in relation to the financing arrangements surrounding the acquisition of 65.75% of the shares of Türkiye Petrol Rafinerileri for \$790 million. Other banking work has included advising on a \$400 million syndicated loan facility made available to Finansbank by a consortium of international banks and institutions, acting for Rabobank when it made a \$150 million stock financing facility to Toprak Mahsulleri Ofisi, and representing HBK Fund on a \$150 million facility with call option granted to Dogus Holding.

In one recent M&A deal to have closed, in April 2005 Pekin & Bayar acted for Banca Intesa in relation to the \$1.2 billion acquisition of Disbank shares, and at the time of writing the firm was busy on a number of ongoing matters, including acting for Fiba Holdings on the \$132.5 million sale of Gima-Endi stores.

### Key contact partners

Selin Bayar

Sefika Pekin

Deniz Sorguc

## Other notable firms

**M Fadlullah Cerrahoglu Law Offices** is a 26-lawyer firm that offers clients a wide range of corporate and commercial services, including advice on privatizations, mergers and acquisitions, banking matters and initial public offerings. From among the team, name partner M Fadlullah Cerrahoglu continues to impress clients with his solid advice, especially in relation to M&A and banking matters.

**Poroy and Özülkü** has offices in Istanbul, Adana and Izmir, and concentrates its efforts on banking and mergers and acquisitions work. The firm retains a staff of three partners and seven associates, and is headed by Sadiye Özülkü and Ümit Özülkü.

**Serap Zuvin Law Offices** is a busy firm that works on project finance and capital markets work, while **Somay Hukuk Bürosu** is also active in capital markets work, advising on disclosure requirements, tender rules, the day-to-day operations of brokerage firms and investment banks, and also ownership transfers. Somay also has a respected project finance practice, but due to the scarcity of project finance work this has been as slow an area for the firm as it has for many others.

**Taboglu & Ates** figures in the rankings this year for the first time, after a series of positive comments from market observers. Esin Taboglu – formerly of Paksoy & Co – is the practice head, and one interviewee singled her out as someone, “we are very impressed with – a wide knowledge on project finance, and comfortable to do business with.”

Lastly, **Yarsuvat Law Firm** is also a respected firm, and is seen as strong for both mergers and acquisitions work and banking.

## Foreign firms active in Turkey

### Recommended firms

Tier 1

**White & Case Müsavirlik Limited Sirketi**

Tier 2

**Denton Wilde Sapte & Güner**

**GLN Müsavirlik**

**Salans**

### White & Case Müsavirlik Limited Sirketi

Of all the foreign firms active in Turkey, White & Case is the best established. Of course, it benefits from its close relationships with two leading local firms (Istanbul's Derman Ortak Avukat Bürosu and Ankara's Çakmak Ortak Avukat Bürosu), but it also advises foreign clients on plenty of deals where they require advice on their Turkish operations. Asli Basgoz is the firm's resident partner in Istanbul, and handles the firm's biggest mandates admirably.

At the time of writing, White & Case was representing Turkish Privatization Investors in relation to the proposed privatisation of Turk Telekomunikasyon, the highest-profile privatization and telecoms deal of 2005 in Turkey. In one of the largest M&A transactions ever to take place in Turkey, at press time the firm was also acting for the Çukurova Group on its sale of around 27% of its indirect interest in Turkcell to Telia Sonera, and on its sale of a controlling stake in Yapi Kredi Bank to Koc Financial Services, a joint venture between Koc Holding and UniCredito Italiano. Other ongoing work at the time of writing included acting for Mittal Steel in relation to the purchase through privatization of Ereğli Demir ve Çelik Fabrikaları in a block sale of 49% of its shares by tender, and representing Rabobank in relation to its negotiations for the purchase of Turkish bank Sekerbank, owned predominantly by cooperatives and the pension funds of its employees.

Among the deals that had closed by the time this guide went to press, in January 2005 White & Case represented Lockheed Martin's Turkish subsidiary when it sold its 42% share in the joint venture company Tusas Aerospace Industries Tusas Turkish Aircraft Industries.

### Leading lawyer

Asli Basgoz

### Key contact partner

Asli Basgoz

### Other notable firms

Denton Wilde Sapte founded its Turkish office in 1996, and this office – **Denton Wilde Sapte & Güner** – is headed by David Nanson. He is supported by associate Christopher Garvey, who relocated from the firm's London headquarters in 2004, demonstrating the firm's commitment to its Turkish operations.

**GLN Müsavirlik** is the Turkish branch of leading French firm Gide Loyrette Nouel, and is the only firm providing

services in Turkey. The Istanbul office comprises 15 Turkish associates, who are overseen by partner Guillaume Rougier-Brierre, and the team covers the full range of business law matters.