ADEX547 · SPECIAL TOPICS IN ORGANIZATION & STRATEGY

WEEK 3

When a private decision becomes a public, price-moving fact

Capital Markets Law, SPK Oversight & Disclosure in Material Corporate Actions

Sessions 1–2 looked INWARD; today we turn OUTWARD — to the market that prices the decision

THE INWARD VIEW — SESSIONS 1 & 2

Session 1 — WHERE capital should go. Portfolio, parenting-fit, the five uses of cash.
Session 2 — WHO decides and WHO is accountable. Decision management vs. control; fiduciary duty; the board.

Both sessions stayed ***inside the firm*** — how a private organisation reaches and governs its own choices.

TODAY'S PIVOT — THE OUTWARD VIEW

The moment a decision becomes ***material***, it stops being private.

A merger under negotiation, a fleet order, a restatement — each is a fact a reasonable investor would pay to know *before* the price moves.

Capital-markets law governs that hand-off: what must be told, when, to whom, and what happens to those who trade on what the rest of the market cannot yet see.

THE THROUGH-LINE A portfolio decision is governed inside the boardroom; a material fact is governed by the market — and by the SPK.

Five parts today — each maps to a part of the Week-3 reader

I — **Why capital markets are regulated** Information asymmetry · Akerlof's market for lemons · the case for mandatory disclosure

II — **The regulatory architecture** Capital Markets Law No. 6362 · the SPK · KAP · vs. SEC, EU MAR & the FCA

III — **Disclosure — the heart of the regime** Özel durum açıklaması · materiality = probability × magnitude · timing · the duty to correct

IV — **Material corporate actions** Mandatory tender offers · squeeze-out & sell-out · capital increases · buybacks · delisting

V — **Market abuse** Insider trading · market manipulation · the controls and the dual sanction track

ALSO ON THE READING LIST

Fama (1970) · Akerlof (1970)
Easterbrook & Fischel vs. Coffee — the mandatory-disclosure debate
La Porta et al. — law & investor protection
Basic v. Levinson · Rajaratnam · Reg FD

Reference book (relevant chapters only):
van der Heijden — Scenarios: The Art of Strategic Conversation.

ONE FRAME Regulation exists so the buyer of a share can trust what the seller already knows.

The most expensive words in finance: "just between us."

The tip that ends two careers.

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PART I

Why capital markets are regulated

Information asymmetry, the market for lemons, and the case for making disclosure mandatory rather than voluntary.

Information asymmetry, the lemons problem, and the case for mandatory disclosure

INFORMATION ASYMMETRY

The insider knows the true state of the business — the real order book and margins, the deal under negotiation, the impairment about to be booked, the regulator's pending letter.
The outside investor sees only what has been disclosed — last quarter's statements, public announcements, rumour — so the outsider **discounts**, pricing in the risk of being the less-informed party.
Left alone, the gap corrodes trust and raises every issuer's cost of capital.

AKERLOF'S LEMONS (1970)

Akerlof's used-car market is any market with hidden quality — including equities.
If investors cannot tell a well-run issuer from a poor one, they pay only an **average price**. The best issuers, underpriced, withdraw or stay private — average quality falls further and the market can unravel.
Disclosure is the credible signal that breaks the spiral — it lets the good separate from the bad.

MANDATORY OR VOLUNTARY?

Easterbrook & Fischel (1984): markets self-correct — issuers who hide value-relevant news face a higher cost of capital, so they disclose voluntarily. A mandatory rule mostly adds cost.
Coffee: information is a public good — one investor pays to verify it, the rest free-ride, so a voluntary regime under-produces it. Managers shade bad news; hence gatekeepers and enforced rules.

HOW 6362 RESOLVES IT Türkiye chose Coffee's side — statutory, SPK-enforced disclosure plus licensed gatekeepers. Fama (1970): if information stays private, prices cannot reflect it.

In concentrated-ownership groups, minority protection is the precondition for outside capital

THE LA PORTA INSIGHT

La Porta et al. (1998, 2000): legal protection of minority shareholders is not a nicety — it is a **causal precondition** for outsiders to finance firms at all.

Without it, controllers can expropriate outside capital, and the equity market stays thin. CML 6362 (2012) was engineered to raise Türkiye's protection score by statute.

THE FAMILY GROUPS

Koç & Sabancı
Family-holding control, pyramidal structures. Control rights can exceed cash-flow rights — the classic minority-agency risk.

THE STATE-LINKED CASE

THY
Türkiye Wealth Fund stake alongside free float. A different distortion: the temptation to delay unfavourable "national-champion" news.

THE POINT Disclosure and tender-offer / squeeze-out rules are exactly the safeguards that let minority investors hold these shares at all.

Three forms of efficiency (Fama) — and the rule each one calls for

WEAK FORM

Prices already reflect all past price and volume information — charting the past cannot beat the market.

REGULATORY CORRELATE — anti-manipulation of price & volume

Wash trades, spoofing and marking-the-close corrupt the price/volume record itself. Art. 107(1) protects the integrity of the tape.

SEMI-STRONG FORM

Prices reflect all publicly available information — they adjust the instant news is released.

REGULATORY CORRELATE — mandatory prompt public disclosure

Özel durum via KAP forces material facts into the public set at once, so prices can incorporate them. Disclosure law targets exactly this form.

STRONG FORM

Prices would reflect even private, non-public information — an idealised limit.

REGULATORY CORRELATE — the insider-trading prohibition

Prices would only reflect private information if insiders traded on it — which is precisely why Art. 106 bans it. We forbid the mechanism that would produce strong-form pricing.

THE MAPPING Each rule targets a form of efficiency: manipulation rules guard weak-form, disclosure guards semi-strong, the insider ban marks the strong-form limit.

PART II

The regulatory architecture

Capital Markets Law No. 6362, the SPK and KAP — and how Türkiye's regime compares to the SEC, EU MAR and the FCA.

One statute (2012, as amended) allocates the market's authority across four institutions

SPK

Sermaye Piyasası Kurulu — the independent regulator. Licenses intermediaries, approves prospectuses, issues Communiqués, runs surveillance, sanctions, refers crime.

Borsa İstanbul

The licensed exchange operator: the trading venue and first-line trade surveillance, under SPK oversight.

KAP

Kamuyu Aydınlatma Platformu — the central electronic platform where every issuer must publish material disclosures, simultaneously to all.

MKK

Merkezi Kayıt Kuruluşu — the dematerialised registry; since Law 7518 (2024), one of two tracking mechanisms alongside crypto-asset providers.

THE DUTY AT THE CENTRE Any information a reasonable investor would find price-relevant must be disclosed via KAP without delay — narrow exceptions only.

The SPK is investigator, rule-maker and gatekeeper-licensor — and the gateway to the criminal track

RULE-MAKING

Issues secondary Communiqués (Tebliğ) implementing 6362; approves public-offering prospectuses; sets disclosure formats.

SURVEILLANCE

Algorithm-assisted monitoring of BIST trading, cross-referenced with watch-lists and open-source / social-media signals.

ENFORCEMENT

Administrative fines, trading suspensions, licence action up to revocation — plus criminal referral (suç duyurusu) to prosecutors.

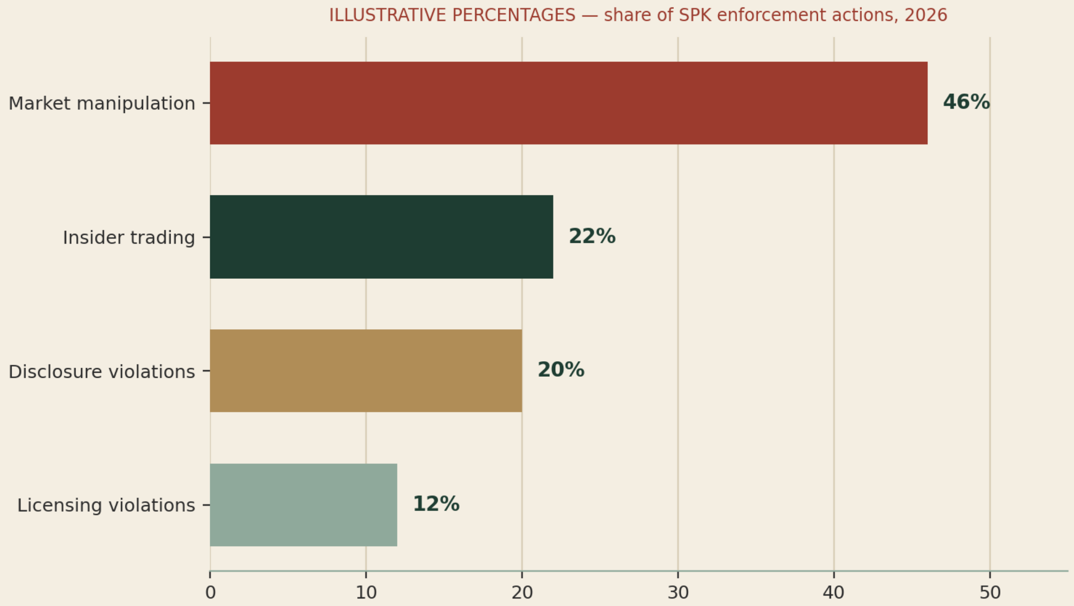
THE ENFORCEMENT TOOLKIT

Administrative fine · **Trading ban / account suspension** · **Licence revocation** · **Forced delisting** · **Criminal referral** *— published in SPK bulletins.*

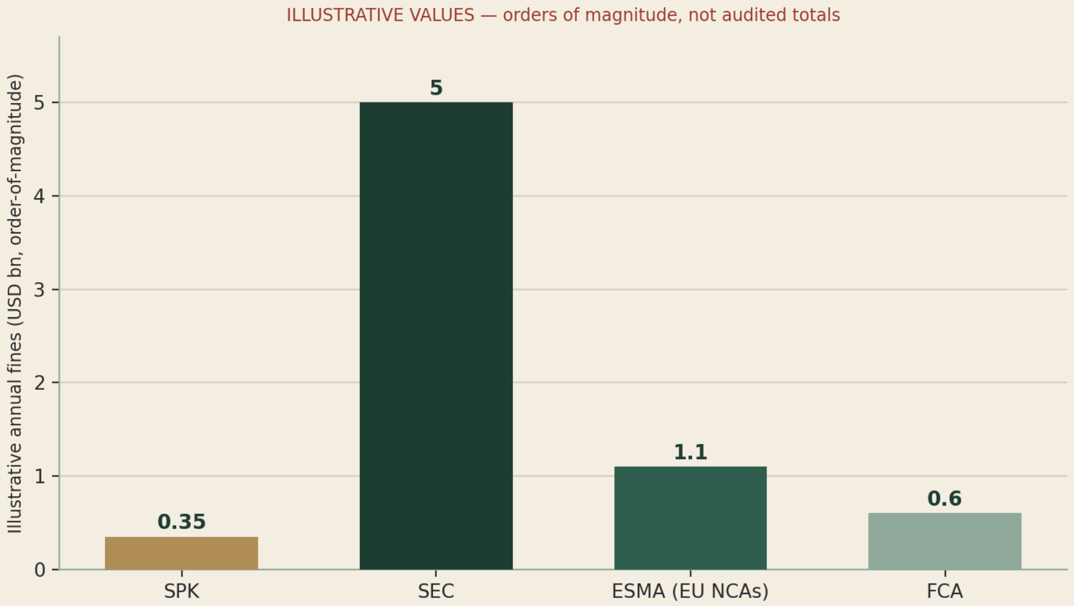
DUAL BY DESIGN A single course of conduct routinely triggers both an SPK administrative fine AND a parallel criminal referral.

Where SPK enforcement lands — and how fine magnitudes compare across regulators

SPK ENFORCEMENT BY CATEGORY (2026, illustrative mix)



FINE MAGNITUDES BY REGULATOR (illustrative scale)



READING THEM TOGETHER Manipulation dominates the SPK docket — the social-media pump the theory predicts — while the SPK's absolute fines are smaller than the SEC or ESMA but rising fast. Illustrative orders of magnitude, not audited totals or a league table of strictness.

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Two parallel liability tracks under CML 6362 — administrative and criminal

ADMINISTRATIVE TRACK — SPK

Trigger

A breach of 6362 / Communiqués found in SPK surveillance and inquiry.

Sanctions

· Administrative fines on persons & entities

· Trading bans / account suspensions

· Licence action up to revocation

· Forced delisting

Standard of proof

Administrative — lower bar, faster; SPK decides and publishes in its Bülteni.

CRIMINAL TRACK — PROSECUTORS

Trigger

Where intent meets the statutory threshold, SPK refers the file (suç duyurusu) to public prosecutors.

Sanctions

· Insider trading (Art. 106) — prison + judicial fine

· Manipulation (Art. 107) — prison (range commonly cited 3–5 yrs), with an SPK push to lengthen it

· Aggravation where conduct is organised

Standard of proof

Criminal — proof beyond reasonable doubt; slower, decided by courts.

Compare: US — SEC (civil) + DOJ (criminal); EU — national NCA (administrative) + CSMAD (criminal). Türkiye's design is the same twin-track logic.

THE DESIGN One course of conduct can yield both a fast SPK fine and a slower criminal prosecution — the tracks reinforce each other, they do not substitute.

"Submit and it is instantly public" — an architecture built to foreclose selective disclosure

1

Draft

An authorised officer logs in with an e-signature and drafts in the template for the disclosure category.

2

Submit

Filed via KAP — no pre-publication review, no embargo, no analyst pre-brief.

3

Instantly public

Released simultaneously to all subscribers and the public website at once.

4

Priced

Every investor sees it together — the selective-disclosure channel is closed by design.

Same market-integrity goals — different instruments, enforcers and disclosure rails

	TÜRKİYE — SPK	UNITED STATES — SEC	EU — MAR	UK — FCA
Core instrument	CML No. 6362 (2012)	Securities Acts + Rule 10b-5	Market Abuse Reg. 596/2014	FSMA + UK MAR
Ad-hoc disclosure	Özel durum via KAP	Form 8-K	Art. 17 ad-hoc	MAR Art. 17 / RIS
Selective disclosure	Foreclosed by KAP	Regulation FD (2000)	Banned under MAR	Banned under MAR
Enforcement	Admin. fine + criminal referral	SEC civil + DOJ criminal	NCA admin. + CSMAD criminal	FCA civil + criminal
Style	Statute + comply-or-explain code	Rules-based, litigation-driven	Directive + national codes	Principles + comply-or-explain

EU MAR column highlighted in brass — the reference framework the reader uses for comparison.

The boardroom's hardest two-word question.

Probability x magnitude - decide before the market does.

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PART III

Disclosure — the heart of the regime

Material-event disclosure, the probability × magnitude test, the timing dilemma, and the duty to correct.

Özel durum açıklaması: tell the market, promptly, what would move its price — and time it right

WHAT TRIGGERS THE DUTY

Any development a reasonable investor would find likely to affect price or the investment decision — for example:
· a merger or stake sale under agreement
· a major contract, fleet order or loss
· an impairment or restatement
· a dividend or buyback decision
· crossing an ownership threshold (5/10/25%)
· a regulatory action against the issuer

WHAT THE FILING MUST BE

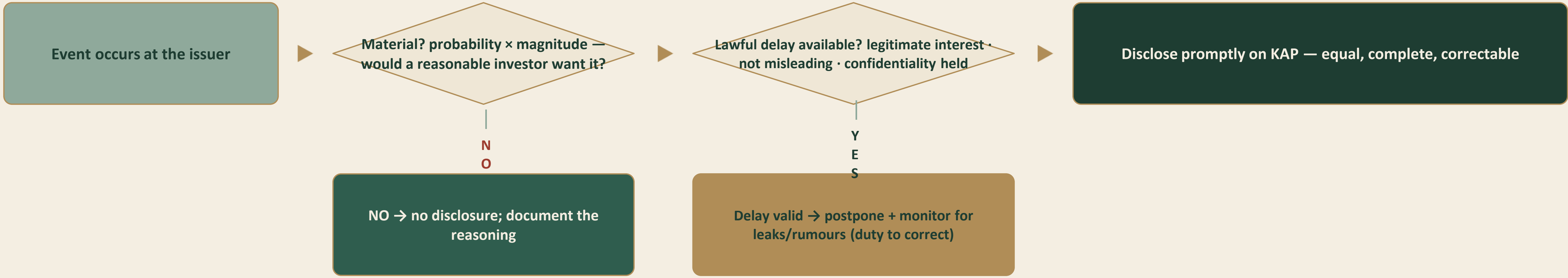
Prompt. Filed via KAP "without delay" once the fact crystallises.
Complete. Enough for a reasonable investor to act — not buried, not teased selectively.
Equal. To all investors at the same instant.
Corrected. If it becomes false or a rumour distorts it, set the record straight.

THE TIMING DILEMMA

The escalation: first contact (not yet material) ‣ serious talks / LOI (materiality rising) ‣ agreement in principle (clock running) ‣ signed / board-approved — disclose promptly.
Lawful delay is narrow: a board may delay a genuinely confidential negotiation only if all three hold — (1) immediate disclosure would harm a legitimate interest, (2) delay is not likely to mislead, (3) confidentiality is kept.
If any leaks, the delay ends at once.

THE OPERATING TEST Not "do we want to say this?" but "would a reasonable investor want to know it before trading?" Delay is a defensible pause, not a right to stay silent.

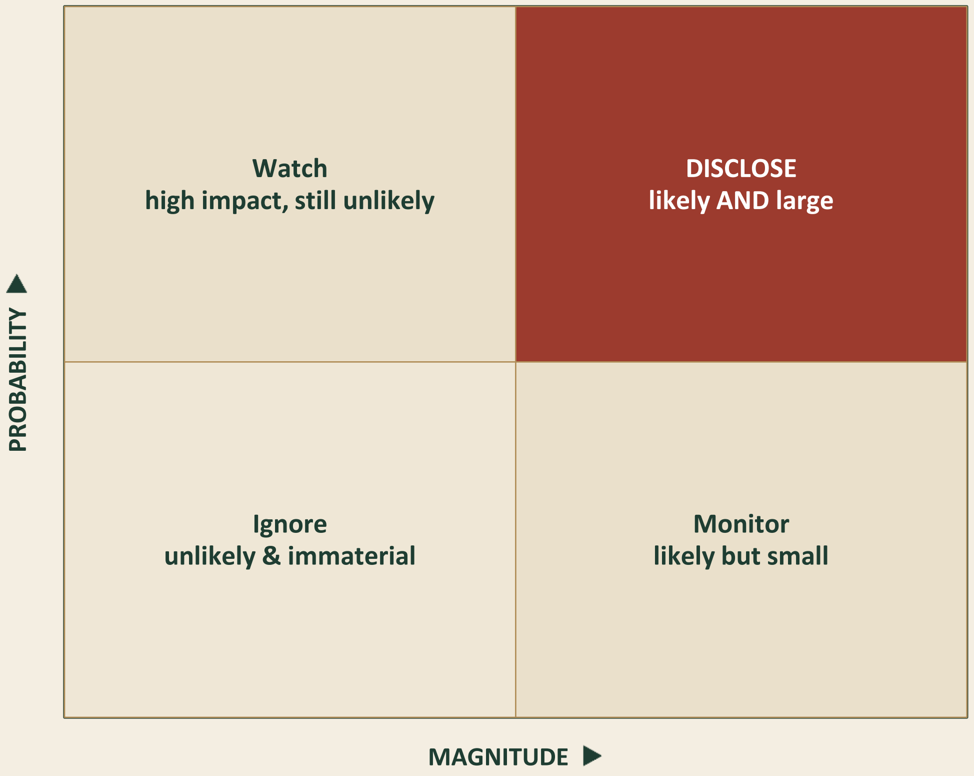
From event to filing — the disclosure committee's decision path



If confidentiality breaks, the delay ends at once — disclose immediately.

THE ROUTINE Same path every time: is it material? can we lawfully delay? has secrecy held? — the product decides, not the calendar.

Basic Inc. v. Levinson (US Supreme Court, 1988): materiality is not a moment — it is a product



THE DOCTRINE, AND WHY IT BITES

The dispute: when do merger talks become material?
Not only on signing day. The Court rejected a bright line and held materiality depends on ***the probability the event occurs × the magnitude it would have*** if it did.

So an early-stage, low-probability negotiation can already be material if the deal would be transformative — and a near-certain event that barely moves value may not be.

CML 6362's "reasonable investor / price-relevant" standard is the same idea in Turkish law: a sliding scale, judged in the moment.

THE RULE TO REMEMBER Materiality is measured by the market's eyes, not management's — and by a product, not a date.

Telling the analyst first is a violation — and a false rumour you can correct is your problem

THE PROBLEM

An issuer briefs a favoured analyst or large holder ahead of the public. That subset can trade — or reprice — before everyone else.
It re-creates exactly the information asymmetry disclosure law exists to erase, and it corrodes trust in the tape.

THE TWO RESPONSES

US — Regulation FD (2000). A dedicated rule: disclose material information selectively and you must disclose it publicly — simultaneously if intentional, promptly if not.
Türkiye — KAP by design. No separate rule needed: everything material goes through one platform, to everyone, at once. Structure does the work of a rule.

THE DUTY TO CORRECT

A rumour moves the price. A leak, a message-board claim or press speculation distorts your instrument's price.
The issuer knows the truth — the claim is false, or a real development is not yet disclosed.
The duty attaches. SPK may require a KAP clarification; staying silent while a known distortion runs can itself be a disclosure failure. Correct, confirm, or say you cannot comment.

THE PRINCIPLE Equal access is not generosity to small investors — it is the condition on which all investors keep participating.

Run three facts through probability × magnitude — two disclose, one waits

A · EARLY MERGER FEELER

Prob. LOW · Magnitude HUGE

A first, exploratory approach about a transformative merger.

MATERIAL — the magnitude carries it (Basic v. Levinson). Consider lawful delay only if strictly confidential.

B · ROUTINE SUPPLY RENEWAL

Prob. HIGH · Magnitude SMALL

A recurring supplier contract renewed on normal terms.

NOT material — near-certain but immaterial to price. No filing required.

C · BOARD VOTES A DIVIDEND CUT

Prob. CERTAIN · Magnitude LARGE

The board resolves to skip the dividend (cf. THY, FY2025).

MATERIAL — disclose promptly via KAP, with the qualitative rationale.

THE HABIT Two questions, every time: how likely is it, and how much would it matter? The product — not the calendar — decides.

"Funding secured" — a misleading disclosure, delivered in 280 characters

WHAT HAPPENED

In August 2018 Elon Musk tweeted that he was considering taking Tesla private at $420 a share, "funding secured."

The funding was not, in fact, secured. The stock lurched; the SEC charged securities fraud over a materially misleading statement made through social media.

WHY IT IS TAUGHT

The settlement (2018): ~$40m in penalties (Musk and Tesla), Musk stepped down as chair, and Tesla agreed to pre-approve his material tweets.

The lesson: the disclosure duty follows the channel. A CEO's tweet reaching millions is a corporate disclosure — and the materiality and accuracy standards apply in full.

THE BRIDGE Compare Türkiye's KAP: a single, controlled channel exists precisely so material news is not first "disclosed" on a personal feed.

The three running cases file real özel durum disclosures every quarter

THY

No-dividend decision

April 2026: the board decided not to distribute a FY2025 dividend (reportedly citing geopolitical risk) — a reversal from ~TL 6.88 gross/share for FY2024. Plus monthly traffic stats and record ~US$5.9bn Q1 2026 revenue via KAP.

SABANCI

Akçansa stake sale

Özel durum disclosure of the sale of its ~39.72% Akçansa stake to Heidelberg Materials for ~US$1.1bn — subject to a right-of-first-refusal under the shareholders' agreement.

KOÇ

GA informative document

Publishes a pre-General-Assembly "Bilgilendirme Dokümanı" via KAP each year, and filed Q1 2026 results (~8 May 2026); FY2025 cash dividend ex-date 25 March 2026.

THE MAP Periodic (traffic, quarterlies) vs. event-driven (stake sale, dividend) vs. minority-protection (GA document) — three duties, one platform.

PART IV

Material corporate actions

Mandatory tender offers, squeeze-out & sell-out, capital increases, buybacks and delisting — each with its disclosure and minority-protection angle.

Tender offer, squeeze-out & sell-out, delisting — a fair, disclosed exit at each control moment

MANDATORY TENDER OFFER

When an acquirer crosses a control threshold, CML 6362 triggers a **mandatory tender offer** (zorunlu pay alım teklifi) to the remaining shareholders.
The minority gets the right to sell at a regulated, equitable price — benchmarked to what the controller paid and to recent market prices.
It shares the control premium and gives a clean exit — a textbook La Porta minority-protection device, disclosed via KAP.

SQUEEZE-OUT & SELL-OUT

Squeeze-out. Once a bidder passes a very high threshold (~98% under the SPK regime) it may compel the residual minority to sell at a fair, regulated price — a sub-2% float is illiquid and costly to serve.
Sell-out. The mirror right: the trapped minority can compel the controller to buy them out at the same fair price.
Neither side is left hostage — price and process disclosed and SPK-supervised.

DELISTING

Delisting removes the shares from the exchange and ends continuous disclosure and liquidity — **no market to sell into** and far less information, the sharpest loss of protection in the toolkit.
Safeguards: a mandatory exit / tender offer at a regulated price, disclosure of the rationale, and often a minority-vote or price-floor before the shares leave the board.
Fully disclosed via KAP up to the last trading day.

THE THROUGH-LINE Every Part IV action shares one design: at the point of maximum minority exposure, the law inserts a fair, disclosed exit.

Raising and returning equity are governance events — dilution and the honesty of a signal

RIGHTS & BONUS ISSUES

Rights issue (bedelli). New shares offered first to existing holders, pro-rata, usually at a discount. The pre-emption right lets the minority avoid dilution by following their money.
Bonus issue (bedelsiz). Shares issued free from internal reserves — no new cash, no dilution of economic stake; a capital-structure move, still disclosed via KAP.

THE DILUTION RISK

A discounted issue a controller can fund but the minority cannot **dilutes the minority** — a tunnelling channel.
Hence disclosure of size, price, use of proceeds and rationale.
Ask not just "does the firm need capital?" but "who can follow the issue — and who gets diluted if they can't?"

BUYBACKS — CASH & SIGNAL

The company buys back its own shares, returning cash and reducing the count. The signal: **"we think the stock is cheap"** — flexible, not a standing commitment like a dividend.
The dark reading: "we have no better project." A red flag when used to hit an EPS target or timed around insider selling.
The programme must be disclosed — size, timing, price limits — via KAP.

THE JOIN Buybacks connect Part IV to Part V: a signal must be honest, or it becomes exactly the false appearance the market-abuse rules forbid.

PART V

Market abuse

Insider trading and market manipulation — the two offences, their controls, and Türkiye's dual sanction track.

Insider trading needs an informational edge; manipulation needs a false appearance

INSIDER TRADING — ART. 106

Trading (or tipping) on material, non-public information obtained through a position.
Elements:
(i) information that is material AND non-public
(ii) a qualifying relationship (insider or tippee)
(iii) trading, or advising a trade, before it is public.
Requires an informational advantage — but no false statement.

MANIPULATION — ART. 107

Creating a false or misleading appearance of supply, demand or price.
Two families:
· Transaction-based, Art. 107(1) — artificial trades/orders.
· Information-based, Art. 107(2) — false or misleading statements, explicitly including via social media.
Requires a false appearance — but no informational advantage.

DISCLOSE OR ABSTAIN & THE TIP CHAIN

“Disclose or abstain.” An insider's only lawful moves are to make the news public or to stay out of the market — never to trade quietly ahead of it.
The tip chain. Not just officers and directors: employees, advisers, controlling shareholders — and tippees who receive the information from them. Art. 106 covers the whole chain.
Rajaratnam / Galleon (2011): the hedge-fund manager was convicted on a wiretapped network of corporate tips — 11 years, long the longest US insider-trading sentence.

THE ANALYTIC KEY 106 needs an edge without a lie; 107 needs a lie without an edge. That mirror is the whole comparison.

CML 6362 Arts. 106–107 — what the SPK / prosecution must show

ART. 106 — INSIDER TRADING (bilgi suistimali)

Elements to prove

· Information that is material AND non-public

· A qualifying relationship (insider or tippee)

· Trading, or advising a trade / tipping, before it is public

· The information's price-relevance to a reasonable investor

The essence

An informational edge exploited — no false statement required.

ART. 107 — MARKET MANIPULATION (piyasa dolandırıcılığı)

107(1) trade-based (işlem bazlı)

· Transactions/orders giving a false or misleading signal of supply, demand or price — wash trades, matched orders, marking-the-close

107(2) information-based (bilgi bazlı)

· False/misleading statements or rumours — explicitly incl. social-media pumps — likely to affect price

The essence

A false appearance manufactured — no informational edge required.

THE ANALYTIC KEY 106 = an edge without a lie; 107 = a lie (or an artificial trade) without an edge. Each element must be shown for the offence to bite.

Four recurring typologies — each a way to fake supply, demand or price

PUMP-AND-DUMP

Build a position in a thin stock, spread false or exaggerated hype (often via social media), sell into the buying you created. Art. 107(2).

WASH TRADES

Buy and sell between accounts you control — no real change of ownership — to fake volume and momentum. Art. 107(1).

SPOOFING / LAYERING

Place orders you never intend to execute to fake supply or demand, then cancel. Needs order-book surveillance to catch. Art. 107(1).

INFO-BASED (rumour)

Disseminate false or misleading statements about a company's prospects to move its price. Art. 107(2).

THE COMMON THREAD Every typology manufactures a false signal — the offence is the artifice, whether it lives in a trade, an order or a sentence.

SECURITIES-FRAUD SCANDALS

The global record

Enron to FTX — the accounting, disclosure, Ponzi and manipulation frauds that reshaped the rules.

Two 2001–02 accounting frauds — different technique, same remedy

ENRON (2001) — HIDING DEBT

Technique

Off-balance-sheet SPEs concealed debt and losses; mark-to-market booked speculative gains.

Scale

Then the largest US bankruptcy; ~$60bn+ of shareholder value erased.

Figures

Founder Kenneth Lay & CEO Jeffrey Skilling convicted (2006).

WORLDCOM (2002) — INFLATING PROFIT

Technique

~$3.8bn+ (ultimately ~$11bn) of ordinary line costs capitalised as assets — inflating profit and EBITDA.

Scale

Largest US bankruptcy at the time, surpassing Enron.

Figures

CEO Bernard Ebbers convicted (2005), 25-year sentence.

THE PAIR Enron hid liabilities; WorldCom faked assets. Together they broke investor trust in audited numbers — auditor Arthur Andersen collapsed — and produced Sarbanes-Oxley (2002).

A defeat-device scandal that is, in law, a failure-to-disclose case

WHAT HAPPENED

VW fitted 'defeat devices' that cut emissions only under test conditions — deceiving regulators across ~11m vehicles.

Exposed by regulators/researchers in September 2015.

THE SECURITIES-LAW ANGLE

The offence is disclosure

Not the device itself but the failure to disclose a known material risk to investors.

Germany — ad-hoc disclosure duty / §826 BGB claims: VW was found to have withheld price-relevant information.

US — SEC charged VW (2019) over bonds/securities sold while concealing the risk.

THE COST & THE LESSON

Tens of billions in fines, buybacks and settlements worldwide.

Governance/timing lesson

A known material risk starts a disclosure clock — sitting on it converts an operational problem into securities fraud.

THE BRIDGE Dieselgate shows disclosure law reaching an engineering scandal: once a risk is material and known, silence to investors is itself the violation.

Coordinated retail buying — manipulation, or protected collective action?

THE EPISODE

A loosely coordinated retail crowd (r/WallStreetBets) drove GameStop from ~$20 to an intraday peak above $480.

The buying forced a short squeeze on hedge funds.

The SEC read (2021 staff report)

Largely protected speech / market dynamics — participants stated their intent openly and told no lie. Not classic manipulation.

THE TEACHING CONTRAST

The gray zone

Openly-coordinated, truthful crowd tests where 'false appearance' actually begins.

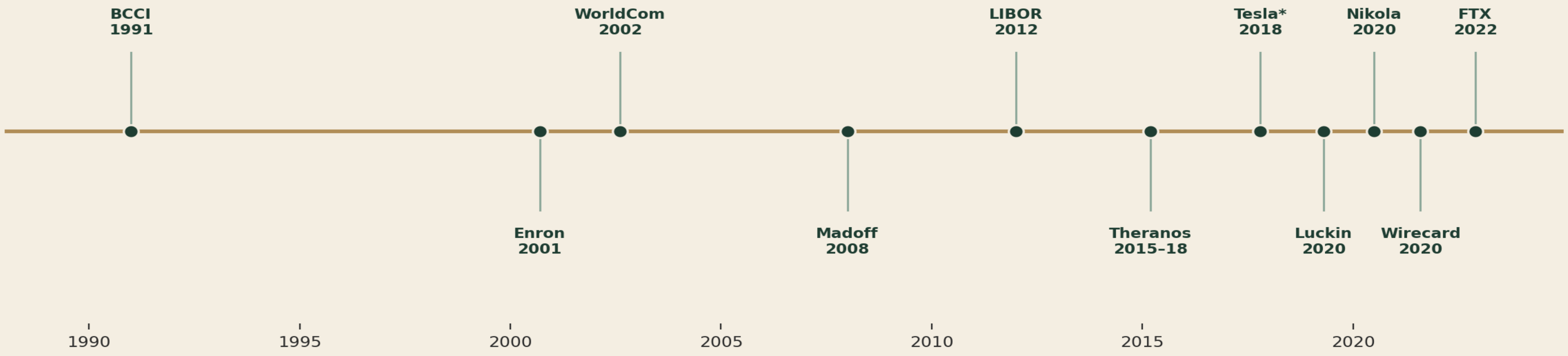
Türkiye — the opposite result

Coordinated social-media cases (ASUZU, EUREN) WERE sanctioned under Art. 107(2) — because they involved false/misleading statements, not just open enthusiasm.

The line is the lie: truthful coordination vs. manufactured false signal.

THE DISTINCTION GameStop marks the outer boundary the US declined to cross; Türkiye's cases fell on the other side — a false statement, not just a loud crowd.

Three decades of frauds — and the enforcement that followed each



** Tesla — the 2018 'funding secured' SEC settlement (a disclosure/manipulation case), not a collapse.*

THE RECORD Accounting frauds (Enron, WorldCom, Wirecard), Ponzi (Madoff), benchmark-rigging (LIBOR) and disclosure cases recur — each wave rewrote a rule.

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One table, four fraud types — and how each was resolved

Scandal	Year	Country	Type	Approx. scale	Regulatory / legal outcome
BCCI	1991	UK/Lux/int'l	Fraud / money-laundering	~$10–20bn	Global shutdown; criminal cases
Enron	2001	USA	Accounting / disclosure	~$60bn+ value	Bankruptcy; Andersen fell; SOX 2002
WorldCom	2002	USA	Accounting	~$11bn	Bankruptcy; Ebbers 25 yrs
Madoff	2008	USA	Ponzi	~$65bn notional	150-yr sentence; SEC reforms
LIBOR	2012	UK/global	Benchmark manipulation	~$9bn+ fines	Fines; convictions; rate retired
Theranos	2015–18	USA	Disclosure fraud	~$700m raised	SEC charges; Holmes convicted
Tesla*	2018	USA	Disclosure / manipulation	~$40m penalties	SEC settlement; chair role change
Luckin Coffee	2020	China/USA	Accounting	~$300m fabricated	SEC $180m; delisted
Nikola	2020	USA	Disclosure fraud	~$125m settlement	SEC charges; Milton convicted
FTX	2022	Bahamas/USA	Fraud / misuse of funds	~$8bn shortfall	Collapse; Bankman-Fried convicted

** Tesla figures = the 2018 SEC settlement. Scales are approximate, widely-reported orders of magnitude.*

THE SPREAD Four recurring types — accounting, disclosure, Ponzi, manipulation — across three decades; every case ended in fines, delisting, prison, or all three.

The SPK is prosecuting exactly the pump-and-dump the theory predicts

THE ASUZU CASE

Anadolu Isuzu (ASUZU). The SPK sanctioned individuals — reported as Nebile Demir and Fatih Kurtay — with fines of **~₺1.7m each plus trading bans** for coordinated social-media "pump" manipulation of the stock.

Information-based manipulation under Art. 107(2), pursued on the administrative track. (Figures per Turkish financial press citing SPK bulletins; verify against the primary SPK Bülteni.)

THE EUREN CASE

Europen Endüstri (EUREN). The SPK fined individuals — reported as Ersin Kılıç and Gülsüm Kılıç — roughly ₺8.88m each for coordinated social-media manipulation of the stock (Art. 107(2), administrative track).

Tera Portföy (Oct 2025). SPK's first "manipulation" sanction inside a private fund — the gatekeeper channel Chairman Gönül warned of, promising licence revocation and a longer prison range.

THE PATTERN Repeated waves since 2025: thin, lightly-covered names — not Koç, Sabancı or THY — are where information-based manipulation concentrates — evidence for Coffee, and the price of keeping a young market near semi-strong efficiency.

Four Art. 107 cases — from the retail pump to the fund manager and the IPO promoter

ASUZU — Anadolu Isuzu

Coordinated social-media “pump” — a false appearance of demand.
Demir & Kurtay each fined ~₺1.7m, plus trading bans.
Art. 107(2); administrative track.

EUREN — Europen Endüstri

Same coordinated-account playbook on EUREN shares.
Ersin & Gülsüm Kılıç each fined ~₺8.88m.
Art. 107(2); administrative track.

TERA PORTFÖY / YATIRIM

Fund-prospectus and disclosure violations — a large (~₺4.4bn-context) fund penalty plus disclosure fines.
The manipulation channel reaching **inside a private fund** — the gatekeeper the SPK Chairman warned about; portfolio companies now in scope.

VİŞNE MADENCİLİK (VSNMD)

IPO Feb 2025 at 37 TL ▸ ~850 TL ▸ crashed to ~130 TL.
Öztürk & Kaya each fined ~₺8.88m for a misleading impression of supply, demand and price.
SPK approved the capital increase while fining the manipulation — a supervision tension.

THE ESCALATION Enforcement is climbing the value chain — retail posters ▸ fund managers ▸ IPO promoters. Figures per Turkish financial press citing SPK bulletins; verify against the primary SPK Bülteni.

The tougher 2026 posture, stated from the top

THE STATEMENT (NOV 2025)

İbrahim Ömer Gönül, SPK Chairman

Responsibility for fund abuse sits with the portfolio-management companies and their managers — not only the traders.

The threat

The SPK is prepared to go as far as LICENCE REVOCATION.

A signal of a tougher supervisory stance heading into 2026.

THE CONCRETE CASE (7 NOV 2025)

Beylerbeyi Portföy

Bulletin of 7 Nov 2025: owner Murat Borucu's licences revoked for the duration of a 2-year trading ban.

The trigger

Conduct in Altınkılıç Gıda shares.

Words backed by action — the licence sanction the Chairman described, applied.

Per Turkish financial press citing SPK; verify against the primary SPK Bülteni.

THE BACKGROUND The 2026 enforcement wave did not appear from nowhere — the regulator pre-announced licence revocation as the sanction for gatekeeper failure.

Prevention lives inside the issuer; detection lives inside the regulator

INSIDER LISTS

Maintain a live list of who holds inside information on each project — the audit trail if trading is later questioned.

TRADING WINDOWS

Closed periods around results and material events; pre-clearance of insider trades.

STATUTORY PROHIBITIONS

CML 6362 Art. 106–107 and EU MAR ban insider dealing, unlawful disclosure and manipulation outright.

SURVEILLANCE

SPK + Borsa İstanbul trade-surveillance systems flag abnormal price/volume, correlate accounts and preserve social-media evidence.

THE TWO LINES OF DEFENCE Issuer hygiene (lists, windows, prohibitions) prevents; regulator surveillance (data, correlation, digital evidence) detects.

When the regulator investigates the messengers instead of the fraud

THE COLLAPSE

Wirecard, a DAX-30 payments star, imploded in June 2020 after admitting ~€1.9bn supposedly in Philippine trustee accounts "probably" did not exist. Its auditor had signed off for a decade.

A large but conventional fictitious-asset fraud — taught for what the regulator did next.

THE REGULATOR'S FAILURE

Warned for years (including by the Financial Times), Germany's BaFin responded by **banning short-selling of Wirecard** and filing complaints against the journalists and short-sellers — not the company.

ESMA later criticised BaFin's supervision. The lesson for any regulator (SPK included): punishing "speculative" selling must not crowd out scrutiny of a national champion's own disclosure.

THE WARNING A regulator that shoots the messenger protects the fraud — market integrity needs scrutiny pointed at issuers, not just at short-sellers.

IN-CLASS EXERCISE

The Disclosure-Committee Scenario Role-Play

Each team is a listed company's disclosure committee. Each team gets two fictional scenarios — one requires disclosure, one does not. Which is which?

Sit as a disclosure committee and rule on two scenarios using one three-question framework

THE SET-UP

Each team becomes the **disclosure committee** of its assigned company (Koç / Sabancı / THY).

You receive two fictional material-event scenarios. Your job is to decide which — and defend it.

All scenarios are illustrative and fictional — built for the ruling, not drawn from real filings.

1 **Is it material?**

Probability × magnitude — would a reasonable investor want it before trading?

2 **Is disclosure required now — and in what form?**

Prompt KAP özel durum? A correction? A holding statement?

3 **Is a lawful delay available — and on what conditions?**

Legitimate interest · no misleading of the public · confidentiality held.

THE FRAME Same three questions, every scenario — because a disclosure committee runs a routine, not an improvisation.

Two fictional scenarios each — one discloses, one does not. Which is which?

TEAM 1 · KOÇ

Scenario A

Acquisition under negotiation — term sheet signed, ~18% of market cap, board vote pending.

Scenario B

raw-steel supplier contract renewal at ~1.1% of revenue, on unchanged terms.

Decide which requires disclosure — and defend it.

TEAM 2 · SABANCI

Scenario A

Internal-control failure / likely restatement found via internal audit — ~₺40m expense misclassification inflating EBITDA.

Scenario B

customer dispute at ~0.15% of market cap, low probability, handled in the ordinary course.

Decide which requires disclosure — and defend it.

TEAM 3 · THY

Scenario A

Regulatory grounding of an aircraft type hitting ~9% of fleet; 3–7% quarterly revenue impact; cancellations already publicly visible.

Scenario B

union wage settlement, fully within budgeted assumptions.

Decide which requires disclosure — and defend it.

All scenarios are fictional and illustrative — built for the ruling, not drawn from real filings.

THE CHALLENGE Rule on both your scenarios — then cross-examine another team's calls as the market (and the SPK) would.

Your team, your company, your ruling

TEAM 1 · KOÇ

1. Gökberk Pala
2. Nedim Büke
3. Tuğçe Çıngay Ataş
4. Bahar Hanedan
5. Gülin Coşar

TEAM 2 · SABANCI

1. Cenk Tanyer
2. Şehnaz Atak Askeroğlu
3. Özlem Önal Baran
4. Mısra Memişoğlu
5. Ali Nemutlu

TEAM 3 · THY

1. Nuran Erdağ Haberdar
2. Serkan Yeter
3. Mehmet Alptuğ Alkan
4. Yurdagül Işık Sevinç

FOURTEEN MEMBERS, THREE RULINGS Each committee owns one company — and answers to every other committee in the cross-challenge.

From framing to bridge — how the two hours run

Framing The three-question routine and the one-discloses-one-not rule.

Scenario distribution Each team receives its two fictional scenarios.

Team analysis Committees rule on each scenario against the framework.

Cross-team challenge Teams cross-examine each other's rulings — the market pushes back.

Synthesis What separated the "disclose" call from the "no-file" call.

Bridge Carry the materiality lens into GW2.

THE ARC Decide, disclose, defend — practised live, under challenge, exactly as a real committee must.

No new assignment today — collect GW1, and carry today's materiality lens into GW2

GW1 — DUE AT THE START OF TODAY

Corporate Portfolio & Capital-Allocation Diagnostic · Group · 15%

Collected today. One single PDF/Word per team, with a one-page executive summary at the front.

No new assignment is given this session.

GW2 — CONTINUE (due start of Session 4)

Activist & Capital-Market Pressure Simulation · Group · 15%

Apply today's materiality framework to your evidence pack:
· If a fact would itself have required disclosure, treat it as more reliable.
· If the disclosure record doesn't match when a development should have been disclosed, that gap becomes part of your activist case.

INDIVIDUAL WORKS (LATER) IW1 — M&A Governance Memo · 22% · assigned S4, due S5. IW2 — Reflection Paper · 18% · assigned S5.

THE ONE LINE TO REMEMBER

Materiality is measured by the market's eyes, not management's.

- ✓ **Regulation answers a market failure.** Akerlof's lemons: without mandatory disclosure the good issuers leave first.
- ✓ **Disclose promptly, completely, equally.** Özel durum via KAP — probability × magnitude decides, not the calendar.
- ✓ **Abuse is faked information.** Insider trading hides an edge; manipulation invents a signal — both meet a dual sanction track.

Bring GW1 today — and read the market like a disclosure committee for Session 4.

Reading list and the world / Türkiye case sources cited today

THEORY & LAW

· Akerlof (1970), The Market for "Lemons"
· Fama (1970), Efficient Capital Markets
· Easterbrook & Fischel (1984); Coffee (1984, 2006)
· La Porta et al. (1998, 2000)
· Capital Markets Law No. 6362 (2012), Arts. 106–107; Law No. 7518 (2024)
· EU MAR 596/2014; Regulation FD (2000); Sarbanes-Oxley (2002)
· van der Heijden, Scenarios: The Art of Strategic Conversation (ref. chapters)

CASES & ENFORCEMENT

World: Basic v. Levinson (1988); Tesla/Musk settlement (2018); Wirecard/BaFin (ESMA 2020); LIBOR; Rajaratnam (2011); GameStop (SEC staff report, 2021). Securities-fraud record: BCCI (1991); Enron (2001) & SOX (2002); WorldCom (2002); Madoff (2008); Theranos; VW Dieselgate (SEC 2019); Luckin (2020); Nikola (2020); FTX (2022).

Türkiye: SPK ASUZU & EUREN manipulation actions; Tera Portföy / Tera Yatırım fines (2025); Vişne Madencilik (VSNMD) IPO manipulation sanction (2025); Beylerbeyi Portföy licence revocation (SPK Bülteni, 7 Nov 2025); SPK Chairman İ. Ö. Gönül (Nov 2025); Koç/Sabancı/THY KAP filings (2025–26).

A NOTE ON SOURCING Turkish enforcement figures rest on financial-press reporting of SPK bulletins; "~" marks figures to verify against the primary SPK Bülteni.