

THE LAW OF THE UNION OF CHAMBERS AND COMMODITY EXCHANGES OF TURKEY, AND THE CHAMBERS AND COMMODITY EXCHANGES

UNOFFICIAL TRANSLATION

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| <u>Law No. 5174</u> | <u>Date of Adoption: May 18, 2004</u> |
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SECTION ONE Purpose, Scope and Definitions

Purpose

ARTICLE 1. – The Law of the Union of Chambers and Commodity Exchanges of Turkey and the Chambers and Commodity Exchanges (the “Law”) aims to regulate the principles of the establishment and the operation of the chambers of commerce and industry, the chambers of commerce, the chambers of industry, the chambers of maritime commerce, commodity exchanges and the Union of Chambers and Commodity Exchanges of Turkey.

Scope

ARTICLE 2. – The Law specifies the principles of the establishment of chambers of commerce and industry, chambers of commerce, chambers of industry, chambers of maritime commerce, commodity exchanges and the Union of Chambers and Commodity Exchanges of Turkey, and of the characteristics and election procedures within their organs, circumstances and procedures concerning the loss of their organic characterizations, duties, powers and working principles of such organs, their rights and obligations *vis-à-vis* their members, and their incomes, expenses, and budgets.

Definitions

ARTICLE 3. – In the implementation of this Law, the terms express the followings:

- a) Ministry: The Ministry of Industry and Trade,
- b) Chamber: Chamber of commerce and industry, chamber of commerce, chamber of industry and chamber of maritime commerce,
- c) Commodity Exchange: Product exchanges having the title of commodity exchange and product specific commodity exchanges,
- d) Union: The Union of Chambers and Commodity Exchanges of Turkey,
- e) Personnel: Employees of chamber, commodity exchange and the Union.

SECTION TWO Chambers

CHAPTER ONE General Principles on Chambers

Chambers

ARTICLE 4. – Chambers are occupational establishments having the nature of public legal entities established in order to fulfill the common needs of their members, to facilitate such members’ occupational activities, to ensure the development of

occupations in line with common benefits, to maintain occupational discipline, ethics and cooperation so as to ensure honesty and trust among their members and in their public relationships, and to perform the services indicated in the Law and the duties that chambers have been conferred by the relevant legislation.

Establishment of Chambers

ARTICLE 5. – Chambers are established within the provinces with the decision of the Ministry upon affirmative opinion of the Union.

In order for a Chamber to be established in a province, it is necessary that at least one thousand merchants and/or industrialist or those dealing with maritime commerce that have registered to the trade registry and have the qualities indicated under the Law shall apply to the Union in writing.

In order for a separate chamber of industry to be established in a province, a written request of at least half of the industrialists operating in such province is required.

In case of industrialists departed from the current chamber of commerce and industry establishing an independent chamber of industry, the chamber of commerce and industry in that province shall be named as the chamber of commerce, provided that the legal procedures and principles have been conformed with.

Upon the establishment of the current chamber of commerce and industry as separate chambers, half of the annual and cumulative subscription fees that are paid to the chamber of commerce and industry in previous year by industrialists shall be transferred to the newly founded chamber of industry in three months following the finalization of the election of organs of such chamber of industry.

Geographical regional chambers shall be established by the decision of the Ministry after the affirmative opinion of the Union and upon the application of more than half of the total members in regional provinces to the Union in writing or with the decision of two third of total members of each province chamber councils separately.

In application of this Law, workplaces creating added value by producing a new product serially or in standard form, operating in order to change the characteristic, content, composition or figure of raw material, semi-finished and finished products in partly or in full by using moving power such as workbench, equipment, machine; operators running places where underground resources are disentrapping and processed; and producers of information technology and software, shall be deemed as industrialists, provided that at least ten employees are employed.

However,

a) Tailors who do not produce ready-wear in mass production, bakeries that do not operate as plants, restaurant operator, clothes cleaner and the like and enterprises selling their products not in wholesale but in retail directly to the consumers, such as shoemakers, confectioners, and sweetshops,

b) Sewage treatment, straining and distribution plants located in provinces, towns and villages,

c) Places that are allocated for the plant, animal or animal products to be processed and evaluated by the producers themselves via planting, sowing, maintaining and breeding in the land for processing, provided that no external raw material of the type of production is taken,

d) Places that are operated for training and education purposes such as workshops and laboratories of universities, vocational high schools and similar schools that make production, vocational courses and workshops in prisons,

e) Military industrial enterprises whose operations are affiliated directly to the organization of Ministry of National Defense,

Shall not be deemed as industrialists.

The following real persons or corporate bodies, who are registered to the trade registry, may apply in order to establish a chamber of maritime commerce:

a) Ship owners, freight owners, joint ship-ownership and ship operators,

b) Shipping agencies,

c) Brokers for purchase and sale of ships, freight brokers, forwarders;

d) Stevedore and tally companies,

e) Ship classification societies, maritime insurance institutions and agencies, and maritime expertise institutions and surveyors,

f) Companies dealing with purchase and sale of marine equipment, ship chandleries and marine industry equipment and companies dealing with supply and provision of fuel for ships,

g) Companies operating marinas and harbours,

h) Companies operating ships for fishing,

i) Companies dealing with yachts tourism, shipping for fishing, cage fishing, underwater services, journey boats, cruise tourism, depth sources and sea soils, cleaning of sea wastes and environment, ship and yacht building and related industry companies, and companies dealing with surface and underwater sports.

However, at least ten percent of the applicants should be ship owners.

Establishment and operation fields of chambers

ARTICLE 6. – Establishment and operation fields of chambers are the territories of provinces. Another chamber with the same title within the fields of establishment and operation shall not be established.

The operation fields of chambers may be extended or broadened by the Board of Directors of the Union as comprising surrounding provinces, which extension shall be valid until the relevant chamber is established in those provinces.

Branches of chambers

ARTICLE 7. – In case that the number of merchants and/or industrialists operating in a district exceed one thousand, a branch of a chamber of commerce and industry or a chamber of commerce, when the number of industrialists operating in a district exceed two hundred and fifty, a branch of a chamber of industry; when the number of marine merchants operating in a district exceed one hundred, a branch of a chamber of maritime commerce shall be established upon the proposal of the board of directors and the decision of the assembly of the relevant chamber, provided that these chambers are of the same nature of the chamber established in the province where the relevant district exists.

Regional chambers may establish branches in the provinces they comprise. Upon the establishment of a regional branch, the founder provincial chambers shall be transformed into branches. District chambers may be transformed into a branch of the provincial chamber upon the decision taken by their assemblies by two thirds of their total membership.

At least ten-member assembly shall be established in branches through election by a judicial supervision among the members of merchants or industrialists operating in the relevant district. The members of the Assembly shall elect a chairman, a deputy chairman and five-member board of directors among themselves. The same number of alternate members shall also be elected. The board shall appoint a branch chairman and a branch deputy chairman and also one accountant among themselves.

Upon the proposal of the board of directors and the approval of the assemblies, chambers may assign some of their authorities to the branch assembly.

Procedures and principles in terms of the establishment and the operation of branches, their budgets, duties of chambers which shall be executed by the branches and other issues shall be determined by a regulation enacted by the Union.

Representatives of chambers

ARTICLE 8. – A representative office of the chamber in the districts, towns and industrial zones and organized industrial zones, which do not have a representative office, may be established upon the proposal of the board of directors of the chambers and the decision of the assembly of the chamber.

Chamber representation is carried out by a member or a chamber personnel appointed by the chamber's board of directors. Necessary personnel to assist the representative of the chamber shall be appointed by the chamber's board of directors by determining their authorities.

The duties and authorities that are granted to the representatives of the chambers shall be determined by a regulation enacted by the Union.

It is not permitted for the chambers to establish a branch, representation and likewise offices in the places out of their operation fields.

Compulsory registration to the chambers

ARTICLE 9. – Merchants registered in the trade registry and all real persons and corporate bodies possessing the title of industrialist and maritime merchants in accordance with article 5 and all their branches and factories are obliged to register with the chamber in which they are located. Member registrations made in respect of the profession groups shall be kept up-to-date in a shared electronic database constituted within the Ministry and Union.

Although it is affiliated with a central office, places that have separate capital and separate accounting and/or although their accounts are kept in the central office and does not have a separate capital, places performing industrial activity and commercial transaction by themselves and sale stores, whether they are in the operation field of the chamber that the central office exists or of another chamber, shall be deemed to be a branch within the implementation of this Law.

Industrialists, who are located on the provinces that a chamber of industry is established, they also fulfill the obligation of registering to the chamber of commerce by registering to the chamber of industry. Commercial activities that industrial business owners engaged in due to their industrial characteristic businesses shall not abolish their industrialist character; they may also register to a chamber of commerce, if they wish so.

In case industrialists open more than one sales stores in order to sell their industrial products, they are obliged to register to a chamber of commerce and industry, or a chamber of commerce, where their sale stores are located, for the surplus; in case

they engage in different commercial activities besides the sale of their industrial products, they are obliged to register to a chamber of commerce and industry or a chamber of commerce.

Economic enterprises and their branches whose total capital belong to the State and special administrations or municipalities or their partnership, enterprises with legal entities that are affiliated to the State and special administrations or municipalities or their branches and factories, which are established by a special law or agreement, are obliged to register to the chambers in the city they are located in.

Maritime merchants mentioned in article 5 and those dealing with maritime commerce mentioned in paragraph 5 who are real persons and corporate bodies registered to trade registry are obliged to register to chamber of maritime commerce they are located in. By registering to the chamber of maritime commerce the foregoing persons are deemed to fulfill their obligation in respect of registering to other chambers. However, if the foregoing persons, engage in activities other than those that are obliged them to register to chamber of maritime commerce, they are also obliged to register to the relevant chamber.

Real persons and corporate bodies as well as their branches that are obliged to register to the chambers, cannot be forced to become members and pay subscription fees to the other professional organizations having legal entities, union and establishments.

Persons, who do not comply with the registration obligation stated in this article in one month, shall be registered by chambers *ex officio* and such situation shall be notified to them.

Notification of amendments

ARTICLE 10. – The persons, who are obliged to register to the chambers, are obliged to notify any changes in their status and the changes required to be registered and announced in accordance with the Turkish Commercial Code to the chamber they are registered, in one month upon the occurrence of change. If the relevant chamber is informed about a case which is obliged to be registered however is not registered in legal form and time limit, the chamber shall inform the relevant trade registry office about the situation in order for them to make the required record changes. The trade registry office is obliged to make necessary changes upon the notification of the chamber.

The member's names, whose addresses and statuses cannot be identified tracing back to last two years from the current year and who have not paid their subscription fees within that period, shall be struck off the profession groups and electoral lists and their subscription fees accrual shall be ceased with a decision taken by the board of directors of the chamber. The board of directors of the chamber is liable in respect of carrying out the provision of this paragraph in January of each year.

In case that the concerned person does not apply to the chamber, which he is registered, in order to inform it about the address and status of him in a period of two years following the beginning of the year of the resolution of the chamber's board of directors mentioned in the above paragraph, the trade registry office is notified for the struck off the trade register *ex officio* with the proposal of the board of directors of the chamber and the decision of the assembly, The chamber record shall be deemed struck off by the first date of the next month following the notification date. If the members inform the chamber about their status in that period, the accrual of their subscription fees shall be commenced. However, persons in this situation cannot be re-recorded to the electoral lists, until all subscription debts are paid.

Announcements regarding the striking off the records *ex officio* from the trade registry or upon the members own request in respect of quitting business shall be published in the Turkish Trade Registry Gazette free of charge.

The records of members of chamber of industry ascertained to have lost their industrial characteristics by an application or *ex officio* determining shall be removed from the chamber of industry. However, in case where the persons, who are not registered to the chamber of commerce, carry on their commercial activities, their situation shall be notified to the relevant chamber of commerce in order to make *ex officio* registration.

For members, who gained the title of industrialist while they are registered to a chamber of commerce, in case their merchant feature still exists, without being removed from the register; and if it does not, being removed *ex officio* from the register, the chamber of commerce shall notify the chamber of industry regarding the change of status and the registration of member within 30 days maximum.

Competence, representation and signature authority in chambers

ARTICLE 11. – Chambers are authorized to sell, purchase, build , parcel, merge, pledge movable and immovable property, borrow money, expropriate, support and encourage social activities, donate and aid, to establish schools and classrooms, grant scholarship, institute charitable corporation or become partner of an already instituted charitable corporation in line with the provisions of this Law and make similar legal transactions.

The legal representative of the chamber is the chairman of board of directors.

A chamber is bound with the joint signature of the chairman together with either at least one member of the board of directors or the secretary general.

Duties of chambers

ARTICLE 12. – The duties of chambers are as follows:

a) To protect and progress professional ethics, discipline and solidarity, to work for the progression of the commerce and industry in conformity with public interest.

b) To compile the information and news regarding commerce and industry and to give them to persons concerned, to provide information that is requested by official authorities in accordance with relevant laws and especially to provide any kind of information that may be needed by the members during the performance of their work upon their request or to make it easy for their members to acquire such information, to take initiatives to lead their members with regard to electronic commerce and internet network, and to establish and put into operation the required infrastructure for these activities.

c) To make all kinds of researches with regard to commerce and industry, to keep records of indexes and statistics concerning economical, commercial and industrial activities, to follow and record the market prices of main products and distribute them with proper instruments.

d) To issue and approve the documents set out in article 26.

e) To make offers, requests and applications to official authorities with regard to their professional activities, to bring a suit, by a decision from the assembly, on behalf of himself or members when all or some of the members have professional interest.

f) To determine commercial and industrial customs in their professional fields, to submit them to the Ministry for approval, and to announce them.

g) To take professional decisions that the members are obliged to comply with.

h) To participate in domestic and overseas fairs and expositions.

i) When deemed necessary, to determine and approve the maximum price tariffs for goods and services for their members listed in article 125 of Law No. 507 on the Craftsmen and Tradesmen in conformity with the regulation that will be enacted by the Ministry.

j) To work for improvement of maritime commerce in accordance with public interest, national transportation and maritime commerce policy.

k) To make examinations concerning national and international maritime commerce and provide information on this subject, to collect information concerning the freight, agency commissions and fees and port expenses etc. between the ports of Turkey and overseas ports and distribute them as rapidly as possible with appropriate instruments, to monitor current affairs in world maritime commerce, to keep the statistics and to announce them to relevant persons.

l) To determine and announce the customs and applications regarding maritime commerce, to prepare the standard forms of freight agreements, bill of lading and similar documents.

m) To give information to foreign ship owners, freight owners, and institutions related to maritime business concerning advantages, working types, tariffs, of the ports, and port expenses and to acquire the similar information from them.

n) To become member of international organizations relating to maritime commerce and have delegates in such organizations.

o) To act as an arbitrator over the disputes concerning maritime commerce, if requested by the relevant persons,

p) To prepare service price tariffs for maritime agency and to submit them to the Ministry for approval.

r) To perform the duties assigned by other legislations and the duties that will be assigned by the Ministry and the Union in accordance with the relevant laws.

s) To keep the members' record in accordance with the standards set out by the Union and to save the documents with regard to the membership dues and to submit them to the Union whenever it is requested.

t) In case where the works, which are given to the ministries and other public institutions by the legislation, are given to the chambers in the framework of their establishment purpose and working fields that are stated in this Law, these chambers shall carry out these works.

u) To give the documents needed by the members and to render the services regarding those documents.

v) To assess the applications for the fairs organized domestically and to make an offer to the Union in that regard.

y) To examine the consumer's complaints regarding their members and to do other activities in line with their establishment purposes.

z) To issue capacity reports for industrialists by the chambers of commerce and industry, and at the provinces where the commerce and industry chambers are separated, by the chamber of industry.

In addition, the chambers, within the framework of the provisions of legislation, perform other duties as follows:

a) To establish or to participate in laboratories oriented to determine the quality of the commercial goods, to establish or participate in international calibration, testing laboratories, to render certification services,

b) To open courses regarding commercial, maritime business and industry, to assist the courses that have already opened, to train students in abroad or domestically for required areas and to provide trainees under the permission and supervision of the Ministry of National Education; to work on improvement and orientation of the professional and technical education and training, to issue documents related to the

foregoing application of the profession branches that are not covered by the Law No. 3308 on Professional Education Law to the limits of the offices of their members,

c) To be an arbitrator in commercial and industrial disputes and to form arbitration boards, upon the request of the relevant persons,

d) To participate in exhibitions, fairs, public warehouses, storages, museums and libraries that are already opened or will be opened,

e) To establish and manage industrial sites, industrial zones, organized industrial zones technology improvement zones, techno-parks, technology centers in places where the Ministry finds appropriate; to be a founder and manager or just manager of free zones, operate warehouse and to establish and operate fair areas, congress centers and commercial centers or to participate to the already established ones in the framework of Law No. 3218 on Free Zones.

CHAPTER TWO

Organs of the Chamber, Establishment and Duties of Organs

Organs of the chamber

ARTICLE 13. – The organs of the chamber are as follows:

- a) Profession Committees.
- b) Assembly.
- c) Board of Directors.
- d) Board of Discipline.

Profession committees of chambers

ARTICLE 14. – Profession committees of chambers shall be composed of five or seven persons, and five, seven, nine or eleven persons for the chambers exceeding ten thousand members, to be elected by profession groups for a period of four years. Alternate members of the same number of principal members shall also be elected.

Committee elects a chairman and a deputy chairman among its members for a period of four years.

Real persons and real person representatives of legal entities elected for profession committee shall only perform duties in either the profession committee of chambers and commodity exchanges within the borders of the same field of activities, or in chambers established in accordance with the Law No. 507 of July 17, 1964.

Principles that are complied with in grouping of professions and the determination of the number of profession committee members and other issues shall be determined by a regulation to be prepared by the Union.

Duties of profession committees of chambers

ARTICLE 15. – The duties of profession committees of chambers are as follows:

a) To execute examinations regarding their professions, and to make proposals for discussion to the board of directors concerning measures that they consider beneficial and necessary for their field of activities.

b) To decide on the attendance of the chairman, the deputy chairman and the suitable members attend to the assembly meeting without voting about the issues on of the assembly's agenda in connection with profession committees.

c) To research and respond to the request of information on matters regarding their professions, upon request by the assembly or the board of directors.

d) To perform all other duties conferred by relevant legislation.

Chamber assembly

ARTICLE 16. – The chamber assembly is composed of members to be elected by profession committees for a period of four years. In profession committees composing of five persons, two out of five, in committees composing of seven persons three out of seven, in committees composing of nine persons, four out of nine, in committees composing of eleven persons five out of eleven members shall be elected as assembly members. The same number of alternate members shall also be elected.

The assembly shall elect a chairman and one or two deputy chairmen among their members for a period of four years.

Real persons and real person representatives of legal entities elected for assembly membership may perform duties only in the assemblies of the chambers and commodity exchanges in the same field of activity and in the chambers established in accordance with the Law No. 507 dated July 17, 1964.

The chairman and the deputy chairmen of the assembly shall not be elected as chairman and member to the board of directors and to the board of discipline.

Those performed duty as chairman of assemblies for two years consecutively shall not be re-elected to perform the same duty unless two election periods have been passed by.

Duties of assembly of chamber

ARTICLE 17. – The duties of the assembly of chamber are as follows:

a) To elect members of the board of directors and of the board of discipline of the chamber.

b) To elect delegates for the general assembly of the Union among their members.

c) To examine and decide upon the proposals made by the board of directors.

d) To take mandatory professional decisions.

e) To determine and announce commercial and industrial customs and practices within their working fields.

f) To review and approve monthly balances and transfer requests.

g) To establish arbitral institutions in order to settle the disputes arisen among their members or from the agreements contracted by members in the case where it is stated in the agreement, to approve the lists of arbitrators and experts to be requested by courts.

h) To grant decisions on the penalties proposed by the board of discipline regarding the members registered to the chamber.

i) To approve annual budgets and final accounts and to discharge the board of directors, to commence proceedings against those who prove to be liable.

j) Chambers are authorized to sell, purchase, build, parcel, unify, gage immovable property, to borrow money, to expropriate, to build school and courses, and in accordance with the provisions of this Law to constitute corporation and foundation or become partner of already instituted corporations.

k) To accept the internal directive of the chamber and submit it to the Union for approval.

l) To review the objections against the decisions of the board of directors regarding the obligation of registering to the chamber or the degrees of their members and to grant final decisions on them.

m) To establish specialized commissions and consultation boards according to the professions and problems.

n) To be a member to industrial, commercial and economical institutions within Turkey and abroad and to send delegate to their congresses.

o) To review and to decide the proposals of the board of directors, or transfer this authority to the board of directors where necessary for waiving prosecution of receivables that are impossible to be collected, or for exempting and/or re-structuring subscription fee debts and their overdue increases of their members who have deceased, ceased trading and are in difficulty to pay their subscription debts due to *force majeure* events occurred beyond their control such as fire, flood, earthquake and the similar natural disasters, and for suits to be brought against the chamber or its members.

p) To grant honorary membership to persons, who have given important services to the activities of chambers or to Turkish economic life, by a decision taken by the two thirds majority of total members of the assembly.

r) To perform other duties conferred by relevant legislation.

Board of directors of the chamber

ARTICLE 18. – The board of directors of a chamber is composed of five persons for chambers having an assembly of less than twenty persons, seven persons for chambers having an assembly of between twenty and twenty-nine persons, nine persons for chambers having an assembly of between thirty and thirty-nine persons, eleven persons for chambers having an assembly of forty and more persons who are elected for a period of four years

The assembly shall elect the chairman, principal and alternate members of the board of directors among its members on a single list basis. The board of directors shall elect one or two deputy chairmen and an accountant member among its members for a period of four years.

Members who have been chairman of the board of directors for two consecutive periods shall not be re-elected to perform the same duty unless two election periods have been passed by.

The chairman and members of the board of directors of a chamber shall not perform duties at the assembly of another chamber or commodity exchange.

The agenda of the meeting shall be determined by the chairman or in his absence by the deputy chairman authorized by the chairman himself. New items shall be inserted in the agenda by the application of at least one third majority of the members of the board of directors until the commencement of the meeting.

Duties of the board of directors of the chamber

ARTICLE 19. – The duties of the board of directors of a chamber are as follows:

a) To execute the works of chamber within the framework of the legislation and assembly decisions.

b) To submit the budget, final account and transfer proposals and the reports thereon to the assembly of chamber.

c) To submit the monthly account report to the assembly of the chamber for examination and approval.

d) To give decision regarding the employment, dismissal, promotion and transfer of the chamber staff.

e) To give decision regarding that the board of discipline may execute the inquiries and to ensure that the disciplinary and pecuniary penalties imposed in accordance with this Law are implemented.

f) To prepare lists of arbitrator and experts and submit them to the assembly for approval.

g) To certify the documents stated in this Law and relevant legislation.

h) To prepare and submit an annual report regarding the activity of the chamber in a year and the economical and industrial status of the chamber's region to the assembly.

i) To submit the prepared internal directive of chamber to the assembly.

j) To make all kind of examination with regard to commerce and industry, to keep the records of the indexes and statistics concerning commercial and industrial activities within in working field, to follow and to record the market prices of materials determined by the assembly and announce them with appropriate instruments.

k) To take decisions regarding the discipline process of chamber employees in accordance with the procedures and principles envisaged in this Law and relevant legislation.

l) To reward the members paying taxes, exporting and developing technology in high levels.

m) To support and encourage social activities, to make donations and aids, to grant scholarship, to establish schools and classrooms with the approval of the assembly, provided that the equivalent exists in the budget.

n) To elect arbitrator or arbitral tribunal.

o) To perform other duties conferred by this Law and the relevant legislation to chambers and not exclusively conferred to another organ.

Assignment of the authorities of chamber's board of directors

ARTICLE 20. – The board of directors of chamber may assign some of its authorities to the chairman, one or more of its members, or secretary general, where necessary.

The board of discipline of the chamber

ARTICLE 21. – The board of discipline of a chamber shall consist of six principal and six alternate members elected by the assembly among members registered to the chamber for a period of four years.

The board of discipline of the chamber shall elect a chairman at its first meeting following the election. In the absence of the chairman, the eldest board member shall preside to the board.

Qualifications required for being a discipline board member shall be determined by a regulation to be enacted by the Ministry upon having affirmative view of the Union.

Duties of the discipline board of chamber

MADDE 22. – The duties of the board of discipline of the chamber are as follows:

a) To execute disciplinary inquires against members registered to the chamber in accordance with the procedures and principles envisaged in this Law and relevant legislation.

b) To make proposal to the assembly regarding imposing disciplinary and pecuniary penalties against members registered to the chamber.

CHAPTER THREE

Incomes of a Chamber and Budget

Incomes of a chamber

ARTICLE 23. – The Followings are the incomes of a chamber:

- a) Registration fees.
- b) Annual subscription fees.
- c) Cumulative fees.
- d) Fees collected in consideration of the services rendered.
- e) Documentation fees.
- f) Publication fees.
- g) Donations and aids.
- h) Penalties.
- i) Participation profits.
- j) Fees collected from vessels.
- k) Overdue increases.
- l) Movable and immovable capital revenues, company profits and foreign currency incomes.
- m) Tariff approval fees.
- n) Other incomes.

Registration fees and annual subscription fees in chambers

ARTICLE 24. – Members shall be obliged to pay a registration fee upon their registration to a chamber and an annual subscription fee for each year.

The registration fee and the annual subscription fee shall not be less than ten percent and more than half of the gross monthly minimum wage for employees older than 16 years old.

In the initial year of registration when the registration fee is paid, the new member shall not be required to pay further subscription fee. The registration fee and the annual subscription fee shall be determined in line with the tariffs and degrees that are determined in line with the procedures that are set out in the regulation to be enacted by the Union. The tariffs shall become effective upon the assembly's approval of the proposal made by the board of directors of the relevant chamber. The registration fees and annual subscription fees to be collected from the members who are obliged to be registered with more than one chamber shall be determined by the procedures set out in the regulation.

The persons who consider their degrees to be inconsistent with their status of a member, such member may raise an objection before the assembly of the chamber in ten days in accordance with the procedures set out in the regulation. Until the assembly renders its decision on such objection, disputed portion of registration fee and annual subscription fee shall not be collected.

Annual subscription fee shall be paid in two equal installments in June and October. The registration fee and the annual subscription fee for the persons who used to be validly registered from previous year and the registration fees of the persons who are registered during the year shall be paid in one month as of the date of notification.

Members who are registered with branches shall effect a payment in the amount corresponding to the half of the registration and subscription fee as stated in this article.

Cumulative subscription fee and freightage

MADDE 25. – The chambers annually collect the cumulative subscription amount corresponding to 0,5% of the income stated in the balance sheet constituting basis for the income tax declarations due to commercial income of real person merchants and industrialists; and commercial budgetary profits constituting basis for corporate tax declarations of merchants and industries established as legal entities.

The payment for cumulative subscription fee of the members who are registered in more than one chambers shall be distributed equally between the relevant the chambers by such member.

Members that incurred losses shall not pay the cumulative subscription fee for such year.

The cumulative subscription fee of the members, who have more than one branch in their working field, shall be determined by taking into account the income made from all those branches or commercial income or trade balance profit that is subject to corporate taxation.

The cumulative subscription fee of factories and corporate branches having separate budgets shall be paid to the chamber located at the place where the branch or the factory is located.

In the case of a legal person keeping a single budget at its principle office and having principle office, branch, and factories at different locations, the cumulative subscription fee shall be paid to the local chamber by the principle office. This chamber shall equally share the cumulative subscription fee with the other relevant chambers in the first three months of the following calendar year.

The cumulative subscription fee of a corporation together with its branches and factories shall not exceed the amount corresponding to amount equaling to the twenty times of the annual subscription fee ceiling set out for that year.

The cumulative subscription fee shall be paid in two equal installments in June and October. The cumulative subscription fee for the members which should have been validly registered as of the previous year shall be paid until the end of the year in which their status has been notified to them.

Members are obliged to submit to chambers, upon their requests, information with regard to their commercial and industrial revenues and balance sheets to the chamber. In addition, chambers may request information from the Taxation Offices in accordance with article 5 of Law No. 213 on Taxation Procedural Law. In case the members fail to submit their budgets and if such budgets could not be obtained from the Tax Authorities, the cumulative subscription fee shall be accrued over the amount of previous year's fees, which shall not be less than three times of the annual subscription fee ceiling of the previous year.

Members registered with branches shall pay half of the cumulative subscription fee as set out in this article.

The amount that is calculated over the ratio determined upon the approval of the proposal of board of directors of a chamber by the assembly, which does not exceed 0,5% and the annual cumulative subscription fee ceiling shall be collected from all freightage fees that are acquired from loading and discharging in Turkish ports by the ships which are under foreign flag, loading and discharging goods at Turkish ports and which are not registered with any chamber in Turkey, and the ships under Turkish flag operated by legal or real merchants who reside abroad; for cruising and passenger ships as per their gross tonnage, by also taking into consideration the international

practice. Such amount shall be paid by themselves or their representatives or agents in fifteen days following the date of the ship's departure from the port to the chamber of maritime commerce located at the region of port or if that chamber is not yet founded, to the chamber of commerce or the chamber of commerce and industry.

Documentation fees and other fees at chambers

ARTICLE 26. – The amount and the ratio of the fees for services rendered by chambers for certified and prepared documents shall be determined by tariffs enacted upon an approval by the assemblies of a proposal of the board of directors. However, the fixed fees shall not exceed the ceiling determined for the annual subscription fee, and the prorate determined relative fees shall not exceed such ceiling and 0,5%. If the services rendered by the Chambers are purchased from third persons, the amount paid for such service shall be collected from the beneficiary of such service by being added to the fees; provided that the cumulative amount shall not exceed two times of the determined ceilings amounts.

The documents prepared or approved, and services rendered by chambers are as follows:

- a) Certification of invoice copies.
- b) Approval of market prices.
- c) Approval of the qualities of the samples of commercial and industrial goods.
- d) Expert reports and capacity reports.
- e) Approvals and annotations showing the registry record of signatories written in affirmative covenants and sureties.
- f) Documents concerning commercial and industrial issues.
- g) Certification of commercial surety.
- h) Documents for allocation and expenditures.
- i) Quality, appropriateness and sample documents.
- j) Domestic good documents.
- k) Approval of signature specimen of the registered members.
- l) Member identities, records and registry transcripts for the members of chamber.
- m) Responding to oral or written questions with regard to the non-confidential information concerning the registry records of its members, provided that they are not in the nature of trade reference certificate.
- n) Registration certificate issued for the heavy construction equipment as per article 22 of Law No. 2918 on Highway Traffic.
- o) TIR carnets, ATA, A.TR and EUR.1 free movement documents, certificate of origin, and EAN -UCC line code transactions, statements on goods and services in international commerce, and other statements or similar documents.
- p) *Force majeure* documents.
- r) Copies of Turkish Trade Registry Gazette.
- s) General and international sectoral services provided to vessels under Turkish or foreign flag.
- t) Trade registry services.
- u) All kind of documents, information and services having commercial and industrial nature.

The fees to be paid to the chamber of maritime commerce by the vessels under either Turkish or foreign flag for services rendered and approvals provided shall be paid in maximum 15 days as of the date related service or approval.

Budgets of chambers

ARTICLE 27. – Budgets of chambers shall be prepared by the board of directors of chambers within the context of the type to be prepared and the accounting principles to be determined by the Union and shall be approved by the assembly.

Budgets are arranged on a calendar year basis.

Expenditures shall be made from the budget by an approval bearing joint signature of the chairman of the board of directors or its authorized deputy and the secretary general or accountant member. If the secretary general does not exist, the signature of the accountant member shall be required instead of the secretary general.

The expenditure up to a certain limit determined by the assembly upon the proposal of the board of directors shall be made *ex officio* by the secretary general, provided that expenditures shall be submitted for the approval of the board of directors.

SECTION THREE Commodity Exchanges

CHAPTER ONE General Principles on Commodity Exchanges

Commodity exchanges

ARTICLE 28. – Commodity exchanges are public legal entities established for engaging in purchase and sale of goods that fall under a commodity exchange and as well as determination, registration and announcement of the prices of such goods formed in the commodity exchange in accordance with the principles stated in this Law.

Foreign currency exchanges and exchanges for valuable mines are excluded from the scope of this Law.

Establishment of commodity exchanges

ARTICLE 29. – Commodity exchanges are established by the Ministry upon the affirmative decision of the Union in the provinces in line with the requirements of commercial necessities.

Commodity exchanges having a private nature may also be established to perform country-wide, regional and international activities.

A regional commodity exchange shall be established by the decision of the Ministry upon the application of more than half of the total members in regional provinces to the Union in writing or with the decision of two thirds of total members of commodity exchange assemblies individually and with the affirmative view of the Union. Founder commodity exchanges shall be transformed into a branch by the establishment of the regional commodity exchange.

Country-wide and regional commodity exchanges are also subject to the provisions on commodity exchanges.

Commodity exchanges are obliged to provide sufficient personnel, equipment, infrastructure, appropriate and sufficient organization for the service to be rendered in line with common criteria based on conditions of commodity exchange determined by a

regulation to be promulgated by the Ministry after the affirmative view of the Union is acquired.

The classification of commodity exchanges regarding their specialties shall be determined by a regulation to be promulgated by the Ministry after the affirmative view of the Union is acquired.

Persons residing abroad may perform transactions in commodity exchanges of international nature.

Working fields of commodity exchanges

ARTICLE 30. – The working field of the commodity exchange is the province within the border of which it is situated. Such working field may be extended or broadened by the Board of Directors of the Union as comprising the surrounding provinces, which extension shall be valid until the establishment of commodity exchanges in such provinces.

Branches of commodity exchanges

ARTICLE 31. – Regional commodity exchanges may establish branches within their working fields. Commodity exchanges may establish branches within their working fields upon decisions of the assembly of the commodity exchange.

An assembly is constituted with at least ten members by election under judicial supervision among the members of commodity exchange, operating at the province and district where the branches are located. Assembly members shall elect a chairman, a deputy and board of directors consisting of five members among themselves. Five alternate members are also elected. The board of directors shall appoint a branch chairman, a branch deputy and an accountant among themselves.

Commodity exchanges may assign some of their authorities to the branch assembly by the proposal of the board of directors and the approval of the assembly.

By the establishment of the regional commodity exchange, founder province commodity exchanges transforms into branches. District commodity exchanges may transform into a province commodity exchange branch by a decision taken two third of their members.

The principles and procedures regarding the establishment and operation of branches, their budgets, duties of commodity exchanges that shall be executed by the branches and other issues shall be determined by a regulation to be promulgated by the Union.

Compulsory registration to the commodity exchanges

ARTICLE 32. –The persons engaged in the activity of sale and purchase of the goods that are included in the quotation of commodity exchange, are obliged to register to the commodity exchange they are located. The registration of the persons, who have not acted in accordance with this obligation, shall be done by the exchange *ex officio* and such registration shall be notified to them. The member registrations that shall be done as per the profession groups shall be kept in a common database which is kept up-to-date and which is constituted in the Ministry and Union in an electronic form.

The persons who are obliged to register to the commodity exchanges shall notify to the commodity exchanges where they are registered, any changes in their legal status that is required to be registered and announced according to the Turkish Commercial Code in one month following the change. If the relevant commodity exchange is informed of any changes that are compulsory to be registered but are not registered within the required formation and time limit, then such exchange shall notify

the relevant registry office in order to make the necessary change. The registry office is obliged to make necessary changes upon the mentioned notification.

The branches, liaison offices, factories, representatives, warehouses, purchase and sale places and similar units regardless of their registration at the trade or craftsman registry of the real and legal persons, whose center of business is out of the commodity exchange working field, and who performs activities in the commodity exchange working field are also required to register to the commodity exchange.

The persons whose address and legal status can not be identified for previous two years, and the persons who has not been engaged in the activity of purchase and sale upon commodity exchange goods for previous two years shall be struck off the profession groups and electorate list; accrual of their subscription fees shall be ceased, and they shall not receive the services rendered by the commodity exchange.

If the relevant person shall not apply to the commodity exchange that he is registered in order to inform about his address and legal status within two years from the new year's day following the foregoing decision of the assembly of commodity exchange, his registration shall be erased from the exchange by the proposal of board of directors and the decision of the assembly. The subscription accrual shall be commenced again if the relevant persons inform the commodity exchange about his status in this period. However, if the subscription debts shall not be paid, such persons shall not be recorded in the electorate lists again.

Producer or manufacturers that making sales directly to consumers without producing in bulk of the goods quoted to the commodity exchange shall sell their goods in the commodity exchange without being registered to it.

Competence, representation and signature authority in commodity exchange

ARTICLE 33. – Commodity exchanges are authorized to sell, purchase, build, parcel, merge, pledge movable and immovable property, borrow money, expropriate, support and encourage social activities, donate and aid, to establish schools and classrooms, grant scholarship, institute charitable corporation or become partner of an already instituted charitable corporation in line with the provisions of this Law and make similar legal transactions.

The legal representative of the exchange is the chairman of board of directors.

The commodity exchange is bound with the joint signature of the chairman together with either at least one member of the board of directors or the secretary general.

Duties of the commodity exchange

ARTICLE 34. – Duties of the commodity exchange are as follows:

a) To arrange and register the purchase and sale of the goods quoted with the commodity exchange.

b) To duly determine and announce the daily prices, which occurs in the commodity exchange of the goods quoted with the commodity exchange.

c) To make general regulations that come into effect by the approval of the Union concerning obligations of seller and purchaser for delivery, acceptance and payment, conditions of liquidation terms of transactions, conditions that have effect upon prices, and arbitration rules for resolving disputes that may arise.

d) To follow domestic and overseas commodity exchange and markets activities and to communicate the prices, to guide its members concerning electronic commerce and internet networks.

e) To issue and approve the documents stated in article 51.

f) To establish laboratories and technical offices or to participate in the ones that have already been established in order to determine types and specialties of the goods quoted with the commodity exchange.

g) To determine the customs and practices regarding the commodity exchange in its regions, to submit them to the Ministry for its approval and to announce them.

h) To make offers, wishes and applications to the relevant official authorities with regard to the subjects of activities of the commodity exchange; to bring a suit on behalf of him or members when all or some of the members have interest.

i) To monitor the agreements, decisions and actions in a character of concerted practice that may have deteriorative effects over the competitiveness, and, in case of determination of any such agreements, decisions or concerted practices, to inform the relevant authorities.

j) In case that the works, which are given to the ministries and other public institutions by the legislation, are given to the commodity exchanges in the framework of their establishment and working fields that are stated in this Law, these commodity exchanges shall carry out these works.

k) To provide necessary documents to its members and render services in connection therewith.

l) To assess the applications to be made on of domestic fairs and make proposals to the Union.

m) To discharge the duties assigned by other relevant legislation and by the Union and the Ministry in accordance with the relevant Laws.

CHAPTER TWO

Organs of the Commodity Exchange, Establishment and Duties of Organs

Organs of an Exchange

ARTICLE 35. –The organs of an exchange are as follows:

- a) Profession committee.
- b) Assembly.
- c) Board of Directors.
- d) Board of Discipline.

Profession committees of the commodity exchange

ARTICLE 36. – Profession committees of the commodity exchange shall be composed of five or seven persons and five, seven, nine or eleven persons for commodity exchanges exceeding ten thousand members, to be elected by profession groups for a period of four years. Alternate members of the same number of principal members shall also be elected.

Committee elects a chairman and a deputy chairman among its members for a period of four years.

Real persons and real person representatives of legal entities elected for profession committee shall only perform duties in either the profession committee of chambers and commodity exchanges within the border of the same field of activity, or chambers established in accordance with the Law No. 507 of July 17, 1964.

Principles that are complied with in grouping of professions and the determination of the number of profession committee members and other issues shall be determined by a regulation to be prepared by the Union.

Duties of the profession committees of commodity exchange

ARTICLE 37. – The duties of exchange occupational committees are as follows:

- a) To execute examinations regarding their subjects, and to offer the measures that are seem to be beneficial and necessary for their field of activities to the board of directors in order to be decided.
- b) To decide that the chairman, the deputy chairman and the suitable members attend to the assembly meeting without voting about the subjects of the assembly's agenda in connection with profession committees.
- c) To research and response on matters regarding their operation fields when an information is requested by the assembly or the board of directors.
- d) To perform all other duties conferred by relevant legislation.

Commodity exchange assembly

ARTICLE 38. – The exchange assembly shall be composed of the members to be elected by profession groups for a period of four years. In profession committees of five persons two members, committees of seven persons three members, committees of nine persons four members, committees of eleven persons five members shall be elected as assembly members. The same number of alternate members shall also be elected. In exchange markets where at least seven occupational groups are not established, assemblies shall be established with fourteen members who will be elected from the persons registered to the commodity exchange. In addition, the same number of alternate members shall be elected. In this case, the duties of the profession committees shall be carried out by specialized commissions that will be elected by the assemblies.

The assembly shall elect a chairman and one or two deputy chairmen among its members for a period of four years.

Real persons and real person representatives of legal entities elected for assembly membership shall only perform duties in either the assemblies of chambers and commodity exchanges within the same field of activity, or chambers established in accordance with the Law No. 507 of July 17, 1964.

The chairman and the deputy chairmen of the assembly shall not be elected as a chairman and a member of board of directors and board of discipline.

Those performed duty as chairman of assemblies for two years consecutively shall not be re-elected to perform the same duty unless two election periods have been passed by.

Duties of assembly of commodity exchange

ARTICLE 39. – The duties of the exchange assembly are as follows:

- a) To elect members of the board of directors and the board of discipline of the commodity exchange.
- b) To elect delegates for the general assembly of the Union among their members.
- c) To examine and decide upon the proposals made by the board of directors.
- d) To determine and announce the customary rules and practices within their working fields.
- e) To examine and approve monthly balance and transfer requests.
- f) To establish arbitral institutions in order to settle the disputes arisen from the transactions performed in the commodity exchange or the agreements contracted in the case where it is stated in the agreement,

g) To approve the list of experts that may be requested by the courts for the resolution of disputes that may occur from transactions made out of commodity exchange.

h) To grant decisions on the penalties proposed by the board of discipline regarding the members of the commodity exchange.

i) To approve the annual budget and final accounts and to discharge the board of directors, and to commence proceedings against those who prove to be liable.

j) To decide, purchase, sell, build, parcel, unify and pledge of immovable and to borrow money, to expropriate and in accordance with the provisions of this Law to become partner of corporations.

k) To accept the internal directive of commodity exchange and to submit it to the Union for approval.

l) To determine that which goods quoted with the commodity exchange may be purchased and sold out of the commodity exchange place provided they have been registered later and to determine the period, not exceeding thirty days, in connection with the registration of the goods that may be purchased and sold in this way.

m) To review the objections against the decisions of the board of directors regarding the obligation of registering to the commodity exchange or the degrees of the members and to grant final decision on them.

n) To establish specialized commissions according to the professions and problems.

o) To be a member to the industrial, commercial and economical institutions within Turkey and abroad and to send delegate to their congresses.

p) .To review and to decide the proposals of the board of directors, or transfer this authority to the board of directors where necessary for waiving prosecution of receivables that are impossible to be collected, or for exempting and/or re-structuring subscription fee debts and their overdue increases of their members who have deceased, ceased trading and are in difficulty to pay their subscription debts due to *force majeure* events occurred beyond their control such as fire, flood, earthquake and the similar natural disasters, and for suits to be brought against the commodity exchange or its members

r) To grant an honorary membership to the persons who have given important services to the commodity exchange or to the Turkish economic life by a decision taken by the two thirds majority of all members of the assembly.

s) To perform other duties conferred by the relevant legislation.

Board of directors of the commodity exchange

ARTICLE 40. – The board of directors of an exchange shall be composed of, five persons for commodity exchanges having an assembly of less than twenty members; seven persons for commodity exchanges having an assembly of between twenty and twenty-nine persons; nine persons for commodity exchanges having an assembly of between thirty and thirty-nine persons; eleven persons for commodity exchanges having an assembly of forty and more persons who are elected for a period of four years.

The assembly shall elect the chairman, principal and alternate members of the board of directors among its members on a single list basis. The board of directors shall elect one or two deputy chairmen and an accountant member among its members for a period of four years.

Members who have been chairman of the board of directors for two consecutive periods shall not be re-elected to perform the same duty unless two election periods have been passed by.

The chairman or the members of the board of directors of a commodity exchange shall not perform duties at the assembly of another commodity exchange or chamber.

The agenda of the meeting shall be determined by the chairman or the deputy chairman authorized by the chairman in his absence. New articles shall be inserted in

the agenda by the application of at least one third majority of the members of the board of directors, until the commencement of the meeting.

Duties of the board of directors of the commodity exchange

ARTICLE 41. – The duties of the board of directors of an exchange are as follows:

- a) To execute the works of commodity exchange within the framework of the legislation and assembly decisions.
- b) To submit the budget, final accounts and transfer requests and the reports thereon to the assembly of commodity exchange.
- c) To submit the monthly account report to the assembly of the commodity exchange for examination and approval.
- d) To decide, in accordance with the relevant procedure, the employment, dismissal, promotion and transfer of the commodity exchange personnel.
- e) To make a decision about the disciplinary actions of the commodity exchange personnel pursuant to the principles and procedures set out in this Law and the relevant legislation.
- f) To give decision regarding that the board of discipline may execute inquiries.
- g) To ensure that the disciplinary and pecuniary penalties imposed in accordance with this Law are implemented.
- h) To determine an arbitration board charged with the settlement of disputes in connection with the transactions performed in the commodity exchange.
- l) To prepare list of arbitrators and experts where requested by the courts for the settlement of disputes that may arise from transactions made out of the commodity exchange and to submit them to the assembly for the approval.
- j) To certify the documents set out in this Law and the relevant legislation.
- k) To prepare an annual report regarding the activity of the commodity exchange in one year and economic conditions of its region and to submit this report to the assembly.
- l) To submit the prepared internal directive to the assembly.
- m) To make all kinds of examinations relevant to the commodity exchange, to keep indexes and statistics and to determine prices of the main materials in commodity exchange and to announce them with appropriate instruments.
- n) To reward the members paying high taxes and registration fees, exporting and developing technology.
- o) To support and encourage social activities, to make donations and aids, to grant scholarships, to establish schools and classrooms with the approval of the assembly, provided that the equivalent exists in the budget.
- p) To perform other duties conferred by this Law and the relevant legislation to the commodity exchanges and not exclusively conferred to another organ.

Assignment of the authorities of the commodity exchange's board of directors

ARTICLE 42. – The board of directors of the commodity exchange may assign some of its authorities to the chairman, one or more of its members, or the secretary general where necessary.

The board of discipline of the commodity exchange

ARTICLE 43. – The board of discipline of a commodity exchange shall consist of six principal and six alternate members elected by the assembly among members registered to the commodity exchange for a period of four years.

The board of discipline of the commodity exchange shall elect a chairman at its first meeting following the election. In the absence of the chairman, the eldest board member shall preside to the board.

Qualifications required for being a discipline board member shall be determined by a regulation to be enacted by the Ministry upon the affirmative view of the Union.

Duties of the commodity exchange board of discipline

ARTICLE 44. – The duties of the board of discipline of a commodity exchange are as follows:

a) To execute disciplinary inquiries against members of the commodity exchange in accordance with the procedures and principles envisaged in this Law and relevant legislation.

b) To make proposal to the assembly regarding imposing of disciplinary and pecuniary penalties against members of commodity exchange.

CHAPTER THREE

Commodity Exchange Transactions

The goods quoted to the commodity exchange and their purchase and sale

ARTICLE 45. – Fungible goods that are durable, storable and have sufficient supply and demands in commodity exchanges shall, as wholesale, be purchased and sold as a sample or type basis. Goods whose type is not determined and similar goods that meet the domestic necessities and animals that are alive or been slaughtered may also be considered as goods quoted to the commodity exchange.

Foreign exchange and precious metals are exempted from the scope of this Law.

In places where a commodity exchange is established, the Ministry shall determine which goods are compulsory to purchase and sell in the commodity exchange and the minimum amount of such goods in such purchase and sale upon the proposal of the assembly of the commodity exchange and the affirmative opinion of the Union and shall be announced by the relevant commodity exchange at the relevant place. The Ministry may remove the goods which have not enough supply and demands in the commodity exchange or which are not subject to purchase and sell in market conditions in accordance with commercial practices out of the goods quoted to the commodity exchanges either generally or by the relevant commodity exchange. It may re-determine the goods that may or not be on the quotation of commodity exchanges, regional commodity exchanges and product specialized exchange markets and the minimum purchase and sale amounts of the goods quoted to the exchange. The decisions of the Ministry regarding the above issue shall also be announced by the commodity exchanges at the relevant place.

The purchase and sale for the amounts that exceed the minimum amount of the goods quoted to the commodity exchange within the working field of commodity exchange out of the specified commodity exchange is forbidden. It may be decided that these materials may be purchased and sold out of the commodity exchange place by the assembly beforehand provided that it shall be registered to the commodity exchange within thirty days following the latest transaction day. However, the Union may revoke such exceptional decisions given by the commodity exchanges partly or completely, temporarily and permanently.

Registration of commodity exchange transactions

ARTICLE 46. – The purchase and sale transactions, which are made upon the minimum amount of the goods quoted to commodity exchange, are required to be registered to the commodity exchanges. The sales made by electronic commerce shall also be within the scope of this article.

The transactions made in the places designated by the commodity exchanges shall be registered on the same day; the transactions in connection with the goods permitted to the purchase and sale out of the commodity exchange shall be registered within thirty days at the latest. In case the obligation to register may not be performed

within the specified period without a valid reason, the registration fee in excess of fifty percent shall be collected.

The purchase and sale transactions of fungible agricultural products which have enough supply and demands and which are not quoted to the commodity exchange may be registered to the commodity exchange by the request of the buyer or the seller. Standard contracts in connection with the future and forward transactions relevant to the goods trade of which is subjected to the exchange market shall be prepared by the commodity exchanges. The standard contracts related to futures and forwards regarding the goods quoted to commodity exchange that shall be prepared and registered by the commodity exchange. The contract, product deed and similar documents prepared in accordance with the provisions of this Law shall not be considered as the futures and options contracts made in accordance with the Law No. 2499 on the Capital Markets. The principles regarding the implementation of this paragraph shall be determined by a regulation to be enacted by the Union.

The obligation of registering shall be executed in the following manner:

a) In case the buyer and seller are in the working field of the same commodity exchange, the transaction shall be registered to that commodity exchange by the party selected according to the customs of the commodity exchange and the registration fee shall be paid. In case the party obliged to register is absent, the other party shall be obliged to make the registry and pay the registration fee.

b) In case where one of the buyers or the sellers is within the working field of the commodity exchange and the other is out of the working field of the same;

1) If the commodity exchange exists in the place where both parties are located and the transaction is made via correspondence, telegraph, telex or realized in electronic form, registration shall be made by the party in the place the contract is accepted and finalized to the commodity exchange located in that place and its fee shall be paid. In the event that the place of acceptance and finalization cannot be determined, the transaction shall be registered by the seller to the commodity exchange located at the principle office of the seller and the fee shall be paid by the seller.

2) If the commodity exchange does not exist in the place one of the parties are located or although the commodity exchange exists the goods is not quoted to that commodity exchange or one of the parties is abroad, the transaction shall be registered by the other party to the commodity exchange which is located at the place of his own principle of business and the fee shall be paid by this party.

c) The members registered to the commodity exchange shall register the purchase and sales that they made out of the working field of the commodity exchange and registration transactions out of those stated in this article to the commodity exchanges that they are registered to and shall pay their fees.

d) If one of the parties that purchase and sell out of the working field of the commodity exchange is the producer that has the capacity of neither merchant nor industrialist, the burden of compulsory registration and paying the registration fee in on the other party having the capacity of merchant and industrialist. If both parties dealing with purchasing and selling are producers that have the capacity of neither merchant not industrialist, compulsory registration shall not be implemented.

The rate of the registration fee is maximum 0,2% of the purchase and sale value of the goods and this rate shall be determined by the assembly of commodity exchange. The maximum amount of total registration fee ceiling for each transaction may not be less than ten percent of annual subscription fee ceiling and may not be more than total amount of annual subscription fee. The registration fee rate of product deed is maximum 0,05% of the purchase and sale value.

Registration of export is not subject to any charge.

Commodity exchanges are entitled to supervise whether their members are registering their whole purchase and sale. For this purpose, they may examine the relevant book and documents of their members upon obtaining a decree from judge.

The procedures and principles regarding the implementation of this article shall be determined by a regulation enacted by the Union.

The persons dealing with purchase and sale in commodity exchange

ARTICLE 47. – The persons dealing with purchase and sale in commodity exchange on his own name but on another's account are called commodity exchange commission agents; the persons dealing with purchase and sale in commodity exchange on another's name and account with a capacity of representative are called commodity exchange agents; the persons dealing with only intervening in purchasing and selling in commodity exchange are called commodity exchange brokers. They may transact out of the commodity exchange on materials that are not quoted to commodity exchange.

No one other than the persons registered to the commodity exchange, the producers and manufacturers that are not registered to the commodity exchange, and the intermediaries stated in the first paragraph are allowed to transact and display activity in the commodity exchange on the spot market transactions relating to the goods quoted to the commodity exchange. Persons, although not registered as commission agent, agent or broker, deal with transactions that can be carried out only by those counted on the goods quoted to commodity exchange; the registration fee on this transaction shall be collected for five times more from those persons performing such transaction.

The intermediaries display activity in the spot market of commodity exchange as being real or legal persons, the establishment, duties and authorities of those being legal persons and the qualities required in legal person intermediaries, the working procedures and principles, rights, rules that are required to be complied with and the disciplinary and pecuniary penalties envisaged by this Law and will be implemented on the intermediaries who are ascertained that acting contrary to those rules and other issues regarding the determination of intermediary activities shall be determined with a regulation enacted by the Union.

The fees that the commission agent, agent and brokers of commodity exchange shall collect from the transactions they are mediating shall be determined by the assembly of commodity exchange and approved by the Union provided that they shall not exceed take from the transactions that they mediate, shall be determined by the exchange assembly to be approved by the Union provided that the amount of such fees shall not exceed 0,5 % of the purchase and sale amount and the annual subscription ceiling fee.

Regulations regarding the commodity exchange transactions

ARTICLE 48. – The procedures demonstrating how the purchase and sale transactions in commodity exchanges can be made shall be shown in the regulations that are determined by the board of directors and approved by the assemblies.

The procedures that the commodity exchanges, where futures and forward transactions are made, implement are determined by a regulation prepared by the Union.

CHAPTER FOUR

Incomes of the Commodity Exchanges and the Budget

Commodity exchange incomes

ARTICLE 49. – Commodity exchange incomes are as follows:

- a) Registration fee.
- b) Annual subscription fee.
- c) Transaction registration fee.
- d) Fees that are collected for services rendered.
- e) Certificate costs.

- f) Publication incomes.
- g) Contribution and aids.
- h) Administrative fines.
- i) Overdue increases.
- j) Movable, immovable capital revenues, company profits and foreign currency incomes.
- k) Other incomes.

Commodity exchange registration fee and annual subscription fee

ARTICLE 50. – Members are obliged to pay registration fee in the course of registration and to pay annual subscription fee for every year.

Registration fee and annual subscription fee shall not be less than ten percent and more than half of the gross amount of monthly minimum wage applied persons older than sixteen year-old.

Annual subscription fee shall not be collected in the year that the registration fee is collected. The amounts of registration and annual subscription fee shall be determined upon the degrees designated in accordance with the procedures mentioned in the regulation enacted by the Union and according to the tariffs. The tariffs shall enter into force upon the proposal of the board of directors of the commodity exchange and the approval of the assembly.

The persons, who disapprove their degrees to their positions, may object to the assembly of commodity exchange within ten days in accordance with the procedures stated in the regulation. The registration fee and disputed part of the annual subscription fee shall not be collected until the assembly renders its final decision on the objections.

The annual subscription fee shall be paid in June and October for every year in two equal installments. The registration fees of the ones registered within the year and registration and annual subscription fees of the ones required to be registered from the preceding year shall be paid within one month as of they are notified of the situation.

The members registered to the branches shall pay half of the registration and subscription fees stated in this article.

Fees and documentation costs

ARTICLE 51. – The amount and the ratio of the fees for services rendered by commodity exchanges for certified and prepared documents shall be determined by tariffs enacted upon an approval by the assemblies and a proposal of the board of directors of commodity exchange. However, the fixed fees shall not exceed the ceiling determined for the annual subscription fee, and the prorate determined relative fees shall not exceed such ceiling and 0,5%. If the services rendered by the commodity exchanges are purchased from third persons, the amount paid for such service shall be collected from the beneficiary of such service by being added to the fees; provided that the cumulative amount shall not exceed two times of the determined ceilings amounts.

The documents prepared or approved, and services rendered by commodity exchanges are follows:

- a) Expert's reports.
- b) Analysis reports.
- c) Documents in connection with the prices of materials including to commodity exchange.
- d) Warehouse receipt, warrant and other deeds representing the goods.
- e) Documents requested in relation to the precedents.
- f) Invoice approvals.
- g) Approval of the specimen signatures of registered members to commodity exchange.
- h) Approval of the signatures in forward sales and future contracts.

- i) Copies of record and register belonging to the ones registered to commodity exchange.
- j) Other documents requested for the goods belonging to commodity exchange and for the commodity exchange proceedings.
- k) Services rendered by the commodity exchanges having the necessary installation for the measurement and weighing of the materials belonging to commodity exchange.
- l) Storage and protection services rendered by the commodity exchanges which have necessary installation.
- m) Inland product document.
- n) Other services.

The budget of the commodity exchange

ARTICLE 52. – The budgets of commodity exchange shall be prepared by the board of directors of commodity exchange within the context of the type to be prepared and the accounting principles to be determined by the Union and shall be approved by the assembly.

Budgets are arranged on a calendar year basis.

Expenditures shall be made from the budget by an approval bearing joint signature of the chairman of the board of directors or its authorized deputy and the secretary general or accountant member.

The expenditure up to a certain limit determined by the assembly upon the proposal of the board of directors shall be made *ex officio* by the secretary general, provided that expenditures shall be submitted for the approval of the board of directors

CHAPTER FIVE

Product Specific Commodity Exchanges

Product specific commodity exchanges

ARTICLE 53. – The product specific commodity exchanges shall be established in the form of corporation that gathers the supply and demand of one or more products in its quotation within confidence, free competition and stability by considering the economical necessities; mediates the purchase and sale of products classified in accordance with the applicable product standards in physical or electronic places organized by themselves; executes both commerce of psychical products and of product deeds and future contracts that issued by the licensed storage operators as representing the product; having reliable restriction and dissimulation opportunities relating to the transactions; having institutional and financial infrastructure, technical and electronic hardware and data processing that shall follow and announce the occurred prices, generated information, and other similar and alternative markets that their working fields shall be regional, national or international.

The operation permission shall be given to the company that holds the establishment permission; in the case that it is demonstrated that the company has the conditions prescribed by this Law and by the regulations issued pursuant to this Law. The company obtained the operational permission shall operate with the name of product specific commodity exchange corporation.

Commodity exchanges shall become a partner of the product specific commodity exchanges that are established or to be established or shall operate as an agent of the product specific commodity exchanges due to the agreement between each other.

The Ministry shall make appointment for one membership of the board of directors of the product specific commodity exchanges.

Commodity exchanges and the product specific commodity exchanges may establish or become a partner of the companies operating as a licensed storage operators.

Matters regarding the registration of the sale and purchase, payment with the transfer, protecting the rights of the seller, purchaser and the third parties and other issues concerning purchase and sale in relation with the product deeds, shall be in responsibility of the commodity exchange, and damages arisen from these transactions shall be compensated by the commodity exchange.

The future contracts shall be endorsed like other endorsable bills determined in article 743 of the Turkish Commercial Code. The conditions sought in these contracts and the procedures and principles sought in futures, shall be determined by a regulation prepared by the relevant commodity exchange and approved by the Ministry upon having the opinion of the Union.

The future contracts and the product deeds equivalent to the securities determined by the licensed storages and the transactions such as the purchase and sale and pledge of similar bills representing the product are obliged to be controlled and registered to the product specific commodity exchanges. However, if a product specific commodity exchange does not exist in which the relevant product deed and future contracts are sold and purchased by quoting, these shall be traded in commodity exchanges that have the adequacy of technical, institutional and financial infrastructure and have the permission of the Ministry. The product's property shall not be transferred to another person until the registration is realized in the commodity exchange.

A contract, product deed and similar documents prepared in accordance with the terms of this Law shall not be considered as the forward and option contracts regulated in accordance with the Capital Market Law No. 2499.

The product specific commodity exchanges' the adequate infrastructure, the structure of capital and partnership, membership, technical hardware, expert personnel, organization, service units, registration system, relations with other chambers and commodity exchanges and the Union, appointment of delegates and representatives, representation in organs, the principles and procedures regarding their establishment, operation and supervision shall be determined by a regulation enacted by the Ministry upon obtaining the Union's opinion.

The Ministry is entitled to provide the product specific commodity exchanges that perform duties and functions prescribed in this article to display activity with confidence, clarity and stability, to make arrangements with regard to the fees and commissions collected for their services, to warn, to give instructions, to take any measures, to cease their one or more activities, to suspend or cancel their operation permit, to seize their management and assets with via court decision, to ask for their liquidation in cases of contradiction to legislation or protection of the public interest or in extraordinary negative cases.

SECTION FOUR

The Union

CHAPTER ONE

General Principles

The Union of Chambers and Commodity Exchanges of Turkey

ARTICLE 54. – The Union of Chambers and Commodity Exchanges of Turkey is a public entity having the nature of superior professional organization that has a legal entity, established in order to provide the unity and the solidarity between chambers and commodity exchanges, to provide the profession to be developed in accordance with the general interests of the profession, to facilitate the professional activities of the members of the chambers and commodity exchanges, to protect the professional disciplinary and moral in order to provide the honesty and confidence in relation with the members of chambers and commodity exchanges and the public, to make necessary

studies so as to the development of the country, improvement of the economy and to perform the services envisaged by this Law.

The brief name of the Union is TOBB and the center of the Union is in Ankara.

Competence, representation and signature authority in the Union

ARTICLE 55. – The Union is authorized to sale, purchase, build, parcel, merge and pledge movable and immovable property, expropriate, borrow money, make social contributions, build schools and classrooms, grant scholarships, donate and aid, support and encourage social activities, establish company and charity or participate in to the already established corporations, become a member of associations and cooperatives and make similar legal transactions in accordance with the provisions of this Law.

The legal representative of the Union is the Chairman of the Union.

The Chairman of the Union and the Secretary-General are individually entitled within the limits granted to themselves by the general assembly or the board of directors; and in transactions that exceed the limits the Chairman of the Union and the Secretary-General are jointly entitled to sign the legal transactions that are legally binding the Union and prepared on behalf of the Union such as covenants, contracts, power of attorney. Besides, a member authorized by the board of directors and the secretary-general are also entitled to sign these transactions jointly.

Duties of the Union

ARTICLE 56. – The duties of the Union are as follows:

- a) To take relevant decisions and measures, and establish necessary organization that empowers the chambers and commodity exchanges and provides collaboration, coordination and development opportunities between them; to constitute superior advisory boards under name of sector-specific assembly; to provide intellectual assistance in order to ensure the chambers and commodity exchanges to perform their statutory aims and duties; to make necessary investigation and suggestions upon the request of the relevant chamber or commodity exchange in order them to execute their works and transactions in accordance with the legislation in case of necessity.
- b) To provide the establishment of the necessary electronic infrastructure in order to provide the standardization of the activities and services rendered by the chambers and commodity exchanges, to keep the accounts with joint procedures and to collect the information related to the members of chambers and commodity exchanges in the center of the Union, and to ensure the operation of this system while considering the protection of the trade secrets; to request information and documentation related to the membership registries and subscription fees from the chambers and commodity exchanges, to provide the fulfillment of these requests and to do necessary supervision.
- c) To formulate the regulations stated in this Law to be enacted by the Union and to approve the internal directives of chambers and commodity exchanges.
- d) To prepare reports on financial aspects of the country, to analyze and make assessments on reports prepared by chambers and commodity exchanges related with this matter, to represent the trade and industry sector in Economic and Social Council and in similar organs, boards, commissions and institutions.
- e) To examine the reports prepared by chambers, commodity exchanges and similar related organizations in the foreign countries and to compile and publish the parts related to Turkey; to make studies oriented to the development of the international trade, industry and service sectors at

- the developing world conditions; to protect the rights of these sectors during the relationships between European Union and international organizations; to make studies on European Union legislation and inform the chambers and commodity exchanges on these matters.
- f) To establish the Turkish National Committee of International Chamber of Commerce and to execute the Committee's activities.
 - g) To organize and attend national and international meetings and congresses; to examine and decide the domestic fair applications made to the chambers and commodity exchanges, which are forwarded to the Union; to issue authority certificate to the fair companies in order to organize domestic fairs; to accept and execute the representation, agency and correspondent of the foreign chambers of commerce and industry; to be member of the national and international organizations related to the activity of the Union or to establish similar organizations, business councils and economic cooperation committees and to attend to international meetings; to establish domestic or foreign trade centers and to participate in those already established; to participate in the activities concerning economic and social problems; to promote such activities in case of necessity and to provide financial support for those; to establish collaboration committees with the foreign chambers and unions, and to make comprehensive and effective collaboration with them.
 - h) To assist the Turkish or Turkish-foreign chambers of commerce, industry and maritime commerce in Turkey and abroad in case of necessity; to establish representative and contact offices in Turkey and abroad with the permission of the Ministry when necessary.
 - i) To take necessary measures for the protection of consumers and the constitution of the sound competition environment, to execute other duties given by the Ministry and Ministries in accordance with the legislation on this and similar matters and to establish the necessary organization.
 - j) To establish the supreme arbitration tribunal in order to settle the disputes among the members of the chambers and commodity exchanges as an arbitrator upon their requests.
 - k) To determine the economic policies of the private sector; to give opinion in case of necessity to the relevant public authorities and institutions in the course of forming the necessary foreign economic relations in terms of ensuring integration with the world economy and to assist to maintain these relations.
 - l) To submit opinions and to make suggestions to the official authorities with respect to capital markets, promotion and orientation of the investments, decisions of the import-export regime, prevention of the unfair competition in import and tax issues and to participate meetings related to those subjects; to promote small and medium size enterprises in the aspects of marketing, financing, research and development.
 - m) To issue the Turkish Trade Registry Gazette envisaged in article 37 of the Turkish Commercial Code under the supervision and inspection of the Ministry.
 - n) To execute the duties prescribed by this Law on subjects of the establishment of new chambers and commodity exchanges, expanding or restricting the fields of activities of the current chambers and commodity exchanges, dissolving the current chambers and commodity exchanges and registration and subscription fees and the fees to be collected.

- o) To work and take necessary measures in order to strengthen technically the commodity exchanges, who have large amount of transaction volume on the basis of specific goods and works with a procedure of public auction, and in order to provide the communication between the domestic and foreign commodity exchanges via benefiting from the opportunities that developing technology offers.
- p) To provide technical information to the requesting institution when a dispute arises in terms of the prices of the imported goods.
- q) To examine and approve the capacity reports and similar documents prepared by the chambers.
- r) To assist the establishment of organized industrial zones, industrial regions, technological development zones, technology centers, techno-parks and to participate in those already established or to be established in accordance with the relevant legislation.
- s) To formulate arbitration institutions that shall serve in national and international commercial dispute settlements and arbitration rules to be implemented, to support the works of chambers regarding arbitration.
- t) To work on removing the bureaucratic obstacles in connection with the trade and industry sector and their activities, accelerating the privatization, determination of the place and subject of the investment regarding the promotions of the investment, arranging inventories regarding the sectors of the industry, trade, agriculture, tourism and service; to compile and publish the statistical information with respect to the structure of the trade and industry and size of the enterprises and numbers of the employees; to work for the development of the electronic trade, to establish the necessary research units, to make suggestions on the granting of the digital certificate and assignment of internet domain name.
- u) To execute the duties given by the Ministry in accordance with the legislation, to submit opinions and make suggestions to the official authorities in order to develop and direct the economy of the country.
- v) to execute the affairs on services concerning the edition, distribution and the implementation TIR and ATA carnets including electronic form, certificates of origin, movement documents and certificates and line code system of EAN-UCC in accordance with the international agreements.
- w) to establish universities, colleges of higher education, vocational and technical education institutions, to participate in and collaborate with those already established in order to provide the growth of the qualified labor force that the industry needs; to arrange work schedules by collaborating with the relevant institutions, to promote the preparation and application of the education program in accordance with these work schedules; to guide to the implementations for the purpose of execution of apprenticeship and vocational education services rendered by the chambers to be harmonic; to prepare and execute in-service training program for the administrators and personnel of the chambers and commodity exchanges, to ensure the establishment of a vocational education centre in case of necessity.

The Union shall also execute the duties originally granted to the ministries or public institutions, but assigned to itself within the framework of the establishment purposes and working field stated in this Law.

Sector assemblies

ARTICLE 57. – The Board of Directors of the Union shall constitute the sector assembly of Turkey for the sectors considered necessary such as tourism,

transportation, contracting, industrial zones, technology zones, free zones in order to be consultative nature, promote the sector development, examine the problems and to ascertain the measures.

These assemblies shall be composed of maximum forty persons elected by the Board of Directors of the Union among the members of the chambers and commodity exchanges, who have reputation and experience in their professions and are specialists. The members of assembly shall nominate one chairman and one deputy chairman among themselves.

The principles and procedures regarding the establishment, operation and activities of the sector assemblies shall be determined by a regulation prepared by the Union and approved by the Ministry.

(This subsection has been added with article 38 of the 5684 numbered Law)

The provisions of Insurance Law related to the assembly of the insurance sector constituted for the Insurance agencies are reserved.

Turkish-Foreign or Foreign-Turkish Chambers and Foreign Economic Relations Board

ARTICLE 58. – The permission of the Union shall be required for the associations to be established under the name of foreign-Turkish or Turkish-foreign unilateral or multilateral trade, industry and maritime commerce chambers by taking the opinion of the Ministry of Foreign Affairs in order to assist the development of the economic and commercial relations between Turkey and other countries. The principles of monitoring and supervision of the joint chambers shall be determined by the Regulation enacted by the Ministry upon (with) the proposal of the Board of Directors of the Union. The monitoring of the activities of chambers established in abroad, and the monitoring and the supervision of the works of the chambers established in the country shall be made by the Union. The associations established in this way shall be subject to the general provisions, except the provisions laid down in this article.

The legal entities cannot use the names of the chambers of commerce, industry and maritime commerce, except the associations established pursuant to the first paragraph.

The Foreign Economic Relations Board shall be consisted of the private sector institutions determined by the Union and have common establishment and activity purposes, and subject to the private law provisions and have legal personality, in order to execute the foreign economic relations of the private sector under the supervision and audit of the Union. The short name of the Board is DEIK. The Board shall perform the bilateral economic relations through business councils in accordance with the decisions of the board of directors.

The principles regarding the duties and authorities, the establishment and operations, organs, budgets, the administration and supervision, and membership of the Board and business councils shall be determined by a regulation enacted by the Union.

The budget of the Board shall be composed of the annual subscription fee determined by the board of directors of the Board for the founder institutions, subscription fee of business councils, and the contributions to be paid by the Union and other incomes. The Union shall audit the budget of the Board.

Supreme Consultation Committee

ARTICLE 59. – Supreme Consultation Committee is a consultative committee composed of the Chairman of the Union, the deputy chairmen, and chairmen of the Council and honor members.

The previous chairmen of the Union shall be deemed as natural members of the Committee. Besides, the Board of Directors of the Union may determine the honor members among those who render eminent services for the national economy.

The chairman of the Union shall also be the chairman of the Committee. The members of Committee shall nominate two deputy chairmen among its own members. The duties and working principles of the Committee shall be determined by the Board of Directors of the Union.

CHAPTER TWO

The Organs of the Union and their Establishment and Duties

Organs of the Union

ARTICLE 60. – The organs of the Union are as follows:

- a) General Assembly
- b) Councils of the Chamber and Commodity Exchange
- c) Board of Directors
- d) Supreme Disciplinary Board

General Assembly

ARTICLE 61. – General Assembly shall be consisted of the delegates elected for a period of four years among the own members of assemblies of chamber and commodity exchange.

Each chamber and commodity exchange shall be represented in General Assembly at least by one delegate. This delegate is the chairman of the board of directors of the chamber and commodity exchange. In order to determine the additional delegates, the number of the members placed in the electoral list and the actual subscription fees paid to the Union by the chambers and commodity exchanges shall be taken into consideration.

Chambers and commodity exchanges having members from two thousand to five thousand shall nominate one; from five thousand to ten thousand shall nominate two; from ten thousand to thirty thousand shall nominate three; from thirty thousand to fifty thousand shall nominate four; and the ones having more than fifty thousand shall nominate five additional delegates. Chambers and commodity exchanges, whose number of members exceeds fifty thousands, shall nominate one additional delegate further to five delegates for each fifty thousand delegates exceeding the main fifty thousand.

In addition, the chambers and commodity exchanges shall elect an additional delegate for each twenty five times of the amount of the gross minimum wage, which have been effective the previous year of the year, in which the elections for the persons older than sixteen years have been made, taking into consideration the average of the subscription fees, which actually have been deposited to the Union within the last four years, except the year in which elections have been made. However, the number of additional delegate to be determined such way shall not exceed twenty.

Alternate delegates as many as elected (nominate) delegates shall also be elected.

In case that the delegates have quitted, discharged, resigned from the chambers and commodity exchanges, deceased, or have left the membership of the assembly, the alternate delegates shall participate to the General Assembly instead of the delegates according to the number of votes that they have obtained.

Expenses of the delegates regarding the participation to the General Assembly shall be paid by the chamber of the commodity exchange they represent.

The General Assembly shall convene every year in May.

In case of the assemblies of the chamber and commodity exchange are discharged and a new election is performed, the delegates to be directed to the General Assembly shall be re-elected.

Duties of the General Assembly

ARTICLE 62. – Duties of the General Assembly are as follows:

- a) To elect the Chairman of the Union, the members and alternate members of the Board of Directors and the Supreme Disciplinary Board.
- b) To elect the members of the councils of chambers and commodity exchanges by the relevant delegates among themselves.
- c) To approve the regulations demonstrating the procedures and principles regarding the determination of the lists of arbitrators and experts prepared by chambers and commodity exchanges, and the regulations of accounting and booking.
- d) To examine and approve the reports prepared by the board of directors about the economical situation of the country.
- e) To approve the regulations related to the working principles of the General Secretariat of the Union and the General Assembly.
- f) To establish collaboration between the chambers and commodity exchanges and to take necessary steps and decisions in order to maintain their development.
- g) To approve the general arrangements performed by the commodity exchanges.
- h) To determine the types and procedures for the arrangement of the budgets of the chambers and commodity exchanges.
- i) To establish commissions when necessary and audit the accounts of the Union through the commission it selects.
- j) To examine and decide the budget of the Union.
- k) To select the persons rendered eminent services to the economy of the country and to the Union as honorable members upon the proposal of the board of directors.
- l) To perform other duties granted by legislation.

Councils of chambers and commodity exchanges

ARTICLE 63. – Five different councils, namely council of chamber of commerce and industry, council of chamber of commerce, council of chamber of industry, council of chamber of maritime commerce and council of commodity exchange each having thirty members, shall be elected by the relevant delegates among themselves in General Assembly for a period of four years. Besides, alternate members as of the same number with principal members for each council shall be elected. However the number of the members of council shall not exceed the half of the number of the relevant delegates represented in General Assembly.

Each council shall elect a chairman and a deputy chairman among their own members for a period of four years.

The chairmen of the councils shall elect the Chairman of the General Assembly among themselves for the first one year. For the following years the chairmen of the councils shall become Chairman of General Assembly in line with the order to be started from the eldest one. Other chairmen of councils shall constitute the Board of General Assembly as deputy chairmen of the General Assembly.

The councils shall convene not less than twice in a year in the center of Union upon the proposal of the chairman of the council and the approval of the Chairman of the Union. Besides, the councils shall jointly meet in order to discuss the proposed agenda upon the request of the Chairman of the Union and the invitation of the Chairman of the General Assembly.

Expenses of the Chairman and members of the Councils regarding the participation to the meetings shall be paid by the Union.

Persons, who have preceded the Council consecutively for two terms, shall not be elected for the same duty unless two election terms have been passed by.

Duties of the Councils of Chambers and Commodity Exchanges

ARTICLE 64. – Duties of the councils of chambers and commodity exchanges are as follows:

- a) To elect chairman and deputy chairmen of the councils.

- b) To discuss the subjects derived from chambers and commodity exchanges and to submit them to the board of directors, as proposal and opinion.
- c) To revise the economical reports and the decisions related to the legislation amendments, to examine the economical problems of the sector they represent.
- d) To consider the coordination and developments of the chambers and commodity exchanges.
- e) To represent the council in relevant protocols and meetings with the chairman or deputy chairman.
- f) To perform other duties granted by legislation.

Board of Directors of the Union

ARTICLE 65. – The Board of Directors shall be consisted of fifteen members including the chairman to be nominated for a period of four years.

The Chairman of the Union elected among the delegates by the General Assembly, shall also be the Chairman of the Board of Directors.

The fourteen actual and at the same number of alternate members of the Board of Directors shall be elected by the General Assembly among delegates. At least one representative of every chamber and commodity exchange group shall take place in the Board of Directors.

The Board of Directors shall elect five deputy chairmen and one accountant for a period of four years among its members as a representative of each chamber group and commodity exchanges.

The Board of Directors shall convene, not less than once a month, upon the invitation of the Chairman of the Union and in the case of his absence upon the invitation of the deputy chairman authorized by the Chairman of the Union. The assembly agenda shall be determined by the Chairman of the Union or by the deputy chairman authorized by the Chairman of the Union. Furthermore, a new title shall be added to the agenda upon the request of at least one-third of the members of the Board of Directors until the commencement of the assembly. The deputy chairman authorized by the Chairman of the Union shall be officiated as the deputy chairman in the case of the absence of the chairman.

The Chairman of the Union, at the same time, shall not serve as the chairman or the member of the board of directors or the chairman of the assembly of the chamber or commodity exchange of which the Chairman is a member.

The ones, who have served consecutively for two terms as the Chairman of the Union, shall not be elected for the same position unless two election terms have been passed by.

Duties of the Board of Directors of the Union

ARTICLE 66. – The duties of the board of directors of the Union are as follows:

- a) To settle the disputes arisen between chambers and commodity exchanges.
- b) To prepare regulations so as to provide the unity and the cooperation in accounting and transaction and to submit them to the General Assembly.
- c) To prepare reports on the financial position of the country and to submit them to the General Assembly.
- d) To follow the publications issued by the chambers of commerce and industry and commodity exchanges in foreign countries and to notify the members and public authorities when deemed necessary about the parts related to Turkey.
- e) To attend to the international exhibition, fairs and congresses, to accept and execute the representation, agency or correspondent of the foreign chambers and commodity exchanges, to establish national and international vocational organizations, to elect the members to attend to the international vocational meetings.
- f) To expend within the budget.
- g) To ensure the chambers and commodity exchanges to pay their Union subscription fees on time and to make necessary audits on this issue.

h) To prepare the regulation of the Secretariat General of the Union and to submit it to the General Assembly.

i) To prepare the regulations to be issued by the Union as prescribed by this Law and to submit them for the approval of the Ministry.

j) To grant information requested by ministries in accordance with relevant laws.

k) To grant report relating to the annual activities.

l) To arrange congresses and similar meetings on financial issues.

m) To prepare the annual budget and submit it to the General Assembly.

n) To establish the supreme arbitration council in order to settle the disputes between members of the chambers and commodity exchanges as an arbitrator upon their requests.

o) To execute other duties granted to the Union and especially not granted to any other organs by this Law and other legislation.

Assignment of the Authorities of the Board of Directors of the Union

ARTICLE 67. – In necessary circumstances, The Board of Directors may assign some of its authority to the Chairman of the Union, or to one or some of the members of the Board of Directors, or to the Secretary-General.

Supreme Disciplinary Board

ARTICLE 68. – Supreme Disciplinary Board shall be consisted of six members elected among the delegates by the General Assembly for a period of four years. The alternate members with the same number shall be elected.

The Supreme Disciplinary Board shall elect a chairman amongst its members at the first meeting after the election. In the absence of the chairman, the eldest member shall preside at the Board.

One of the members shall be appointed as the reporter. The reporter member shall not attend to the voting of the decision.

Supreme Disciplinary Board shall convene upon the invitation of the Chairman of the Union.

Duties of the Supreme Disciplinary Board

ARTICLE 69. – The duties of the supreme disciplinary board are as follows:

a) To settle the objections made contrary to the decisions of the assemblies of the chambers and commodity exchanges relating to the disciplinary penalties and to the decisions of the board of the directors of the chambers and commodity exchanges relating not to commence the inquiry.

b) To execute other duties granted by the legislation.

CHAPTER THREE

Incomes of the Union

Subscription Fee of the Union

ARTICLE 70. – Chambers and commodity exchanges are obliged to deposit 8% of their annually received income as subscription fee in the name of Union to the one of the banks determined by the Board of Directors.

The subscription fees of the Union shall be calculated over the previous year's real income, and deposited in two equal installments in July and December, on the following year.

Real income comprises all incomes stated under articles 23 and 49, movable and immovable securities' income, company profits and currency proceeds.

Fees to be collected by the Union

ARTICLE 71. – The ratio and amount of fees collected by the Union for the certification of documents and providing services, with an exception of arbitration

expenses, cannot exceed the triple of the gross amount of the minimum wage that is applied to the persons over the age of 16 in fixed allowances, and 0,5% in relative fees provided that this ceiling shall not be exceeded. Those amounts and ratios shall be determined by the tariffs decided by the Board of Directors.

The documents and services to be granted and certified by the Union are as follows:

- a) Capacity reports.
- b) Invoices, certificates of origin, A.TR and EUR. 1 movement documents and certificates.
- c) Services regarding the Turkish Trade Registry Gazette.
- d) Quality documents.
- e) Services regarding TIR and ATA carnets and EAN-UCC line code system.
- f) Arbitration services.
- g) Fair organization authority certificates.
- h) Any other sorts of documents, information and services in commercial and industrial nature.

The announcement fees relating to the Turkish Trade Registry Gazette shall be determined pursuant to a tariff that shall become effective upon the proposal of the Turkish Trade Registry Gazette Committee and the approval of the Ministry.

A Committee consisting of the relevant deputy undersecretary, the General Manager of Interior Trade or any assistant nominated by him, the Secretary-General of the Union, the relevant deputy secretary-general and the manager of the gazette headed by the Undersecretary of the Ministry shall be established in order to determine the principles regarding the issuance of the Turkish Trade Registry Gazette, and to manage and direct the announcement issues, and to coordinate the works between the Ministry and the Union.

The working principles and procedures of the Committee, attendance fee of the members of the Committee paid from the income of the gazette, the expenses related to the Committee meetings, and the other aspects on this subject shall be determined by a regulation enacted by the Ministry upon the affirmative opinion of the Union. The net monthly amount of the attendance fees cannot exceed gross amount of minimum wage.

Incomes and budget

ARTICLE 72. – Incomes of the Union consist of subscription fees, fees for services, donations and aids, announcement incomes and other incomes.

The budget of the Union shall be prepared on an annual basis by the Board of Directors and determined by the General Assembly.

Expenditure from the budget shall be made by the joint signature of the Chairman of the Union or of a vice chairman authorized by him and the Secretary-General or the accounting member.

To the extent of the amount of expenditure determined by the General Assembly upon the proposal of the Board of Directors may be spent *ex-officio* by the Chairman of the Union, provided that such amount shall later be submitted to the approval of the Board of Directors.

Furthermore, the amount of expenditure determined by the Board of Directors not more than the amount determined for the Chairman of the Union, may be *ex-officio* spent by the Secretary-General, provided that such amount shall later be submitted to the approval of the Board of Directors.

SECTION FIVE Joint Provisions

CHAPTER ONE Personnel

The personnel of the chamber, commodity exchange and the Union

ARTICLE 73. – The persons employed within the chambers, the commodity exchanges, the Union and enterprises established by these entities are, other than the provisions existing in this Law, subject to the 4857 numbered Labor Act.

Secretary-general of the chamber and commodity exchange

ARTICLE 74. – A secretary-general shall be appointed in order to execute the affairs of the chambers and commodity exchanges. The secretary-general shall have the following qualifications:

a) To be a Turkish citizen.

b) (Revoked with article 578 of the 5728 numbered Law)

c) Not to have any connection with the military service.

d)(Amended with article 2 of the 5795 numbered Law) Not to have been sentenced to imprisonment for 5 years or more because of intentionally committing a crime(s) or crimes against the security of the State, crimes against the Constitutional System and the operation of this system, crimes against the national defense, crimes against the state secrets, and espionage, embezzlement, corruption, bribery, theft, fraudulency, forgery, abuse of trust, fraudulent bankruptcy, rig an official bidding, rig of execution of performance, clearance of the value of the assets acquired illegally, smuggling, tax fraud or unjustly goods obtainment, even if the periods stated within article 53 of the Turkish Criminal Code has expired.

d) Not to have a physical or mental illness, or physical disability that shall prevent him performing his duties continuously.

e) To be graduated from a university, lasting at least four years, in the fields of engineering, economy, business, finance, law and public administration.

f) To have at least five years business experience in the public or private sector.

The secretary-general and his deputies shall be appointed by the decision of the board of directors. The qualifications required for the secretary-general shall also be required for the deputy secretary-generals.

The secretary-general may assign some of his duties and authorizations, including expenditure authorization, to his deputies to be re-determined at the beginning of each calendar year upon the permission of the board of directors.

The secretary-general is the disciplinary and record principal of the personnel of the chamber and commodity exchange. The secretary-general shall prepare the minutes of board of directors meetings, regulate and manage the interior and editing works of the chamber and commodity exchange, give necessary orders and instructions to personnel of the chamber and commodity exchange and supervise their work and perform other duties entrusted to him by the board of directors or its Chairman.

Secretary-General of the Union

ARTICLE 75. –A Secretary-General having the qualifications required for the secretary-generals of chamber and commodity exchange and having been able to speak at least one foreign language fluently shall be appointed by the Board of Directors in order to execute the affairs of the Union. The board of directors may appoint one or more deputy secretary-generals in case of necessity. The qualifications required for the secretary-general shall also be required for the deputy secretary-generals.

The secretary-general may assign some of his duties and authorizations, including expenditure authorization, to his deputies to be re-determined at the beginning of each calendar year upon the permission of the board of directors.

The secretary-general is the disciplinary and record principal of the personnel of the Union. The secretary-general shall prepare the minutes of Board of Directors meetings, shall regulate and manage the interior and editing works of the Union, shall give necessary orders and instructions to personnel of the Union and supervise their work and perform other duties entrusted to him by the Board of Directors and Chairman of the Union.

Criminal proceeding

ARTICLE 76. – (Amended with article 539 of the 5728 numbered Law) The members of the organs and personnel of the chambers, commodity exchanges and the Union shall be prosecuted as Public Servants if their work related acts and conducts while performing their duties cause a crime to be committed, and when they commit a crime with regard to those establishments` funds, documents equivalent to funds, credit bill, relevant assets, and any kind of paper and book related to the balance sheet and minute book.

CHAPTER TWO

Financial Provisions

Collection

ARTICLE 77- A daily fine for default shall be accrued to over-due registration fees, annual subscription fee, cumulative subscription fee, chamber shares taken from the freight proceeds, commodity exchange registration fee and the Union's subscription fee pursuant to the 6183 numbered Procedures of Collecting of Public Credits Law.

The decisions of the Board of Directors of the chamber, commodity exchange and the Union regarding the registration fees, annual subscription fee, cumulative subscription fee, chamber shares taken from the freight proceeds and subscription fee of the Union and commodity exchange registration fee and the definite fine for default of those counted and collection of pecuniary penalties are equivalent to final court decision and shall be executed by the execution offices.

Lapse of time for collection of registration fees, annual subscription fee, cumulative subscription fee, chamber shares taken from the freight proceeds and subscription fee of the Union and commodity exchange registration fee and definite fine for default of those counted and pecuniary penalties is five years.

Shares reserved from budgets

ARTICLE 78. – A share shall be reserved from the budgets prepared by the chambers, commodity exchanges and the Union according to the below conditions:

a) A ratio of 1%, with the decision of the General Assembly, to be paid to The Union of Chambers, Commodity Exchanges of Turkey Personnel Insurance and Pension Fund Foundation.

b) A ratio not exceeding 1% each year in order to improve the internal trade services of the Ministry

The usage principles and implementation of the shares reserved as indicated above shall be determined by a regulation.

The share reserved for the expenses such as representation, excursion, accommodation, travel, daily wage, attendance fee in the budgets of the Union, chambers and commodity exchanges shall not exceed 20% of their budgets and the share reserved for the expenses of the personnel shall not exceed 40% of their budgets.

Bidding affairs and service procurement

ARTICLE 79. – The procedures and principles with regard to the purchase of assets and services, construction works and sales of the chambers, commodity exchanges and the Union shall be determined by a regulation to be enacted by the Union by considering the clearance, transparency and free competition principles.

Chambers, commodity exchanges and the Union may procure services via freelance and representation contract.

Expropriation, establishment of company and foundation

ARTICLE 80. – Chambers, commodity exchanges and the Union may make expropriation upon the permission of the Ministry and the decision of their authorized organs in order to achieve their objectives, provided that the expropriation is limited with their fields of activity. The public interest decision shall be granted by the Ministry.

Chambers, commodity exchanges and the Union may participate in the existing companies or to the companies will be established with the permission of the Ministry, limited with the purposes of performing the economic duties envisaged in this Law, meeting the common needs of the members of profession, facilitating those members professional activities and ensuring the development of the profession in conformity with the general interests. Chambers, commodity exchanges and the Union may establish foundations in order to establish education institutions in conformity with their objectives.

CHAPTER THREE

Electoral Procedure of Organs of Chambers, Commodity Exchanges and the Union

General principles on elections

ARTICLE 81. – The elections of organs and branches of chamber, commodity exchange and the Union shall be made under the judicial supervision, via the updated member lists taken from the database of chamber, commodity exchange and the Union and demonstrating the members having qualifications of eligibility according to the profession groups of chamber and commodity exchange affiliated to the Union, in the common database created within the Ministry and the Union in electronic form.

In case there is more than one district election board in a place, then the competent judge shall be determined by the provincial election board. The competent judge in the elections of the organs of the Union is the chairman of the central district election board.

The chairman of the district election board shall determine the place and number of the voting polls, the date and period of the voting, format of the voting card, and other issues regarding election pursuant to the number of members of chamber and commodity exchange and profession groups and to the necessities of the elections of the organs of the Union. The equipments to be used at the elections shall be provided by the district election board.

Voting processes shall be made on the basis of secret voting and open classification. Voters, who are waiting in front of the voting poll in order to vote, shall exercise voting, although the election period is expired. The members and delegates, whose names are not written on the voters' list, shall not vote. Voting shall be exercised upon the identity of the voter is proved by a document given by the chamber or commodity exchange or an official entity, and upon the place across the person's name is signed.

The real persons representing legal entities shall present a certificate at the time of voting that has been approved by the relevant trade registry office and issued within the last one month demonstrating that they are authorized to represent and make binding transactions pursuant to the registered articles of association of the legal entity that they are representing.

Voting shall be exercised through placing the voting cards issued in any way, in special envelopes that contain the seal of district election board and is provided by chairman of the election poll board in the course of voting. The votes, which are not placed within the envelopes that do not contain the seal of the district election board thereon, shall be invalid.

After the expiry of the election period, the results of election are determined by a record and signed by the chairman and members of the election poll board. The temporary election results are announced for one full working day by way of hanging one copy of the records at the place of election.

The exercised votes and other documents shall be presented to the presidency of the district election board to be kept for a period of three-months along with one copy of the record.

Objections raised against the transactions made during the election and election results within the announcement period, shall be examined and settled by the authorized judge on the same day. The decisions regarding the objections and given by the district election board shall be announced by hanging in the place of election for one full working day. Objections against those decisions can be raised to the provincial election board within the announcement period. Decision of the provincial election board to be granted in one day, shall be final. Upon the expiry of the objection period and settlement of the objections, the judge shall announce the final results pursuant to the above provisions and shall notify the relevant chamber or commodity exchange and the Union and the Ministry.

In case the judge terminates the election for any reason or annul the elections due to an unlawfulness or unlawful practices, which may affect the results of the election, the judge shall determine the date, on which the election shall be renewed provided that the period shall not be less than one month and more than two months, and shall notify the date to the relevant chamber or commodity exchange and the Union and the Ministry.

In case the entire elections are cancelled, a board consisting of three or five members shall be appointed by the Union in order to render the duties of the assembly and board of directors of the chamber and commodity exchange until the renewal of the elections.

In cases where there are no provisions under this Law, the provisions related to crimes and penalties stated in the Seventh Chapter of the 298 numbered Law on Main Provisions of Elections and Register of Electors shall be applied.

(Amended with article 540 of the 5728 numbered Law) Political parties, trade unions and trade union`s high level institutions cannot nominate any candidates, and engage in any activities and make propaganda in favor of or against certain candidates in the elections of the organs of chambers, commodity exchanges and the Union. Whoever acts contrary to this provision shall be sentenced to imprisonment for up to a period of six months or judicial fine.

The election dates of the organs of the Union, chamber and commodity exchange may be postponed for a maximum of one year by the Cabinet.

(Amended with the 5290 numbered Law) The duties of the persons in the organs of chamber, commodity exchange and the Union shall be per se terminated, if those persons are elected as members of Parliament or mayors.

Election poll board

ARTICLE 82. – The chairman of the district election board shall examine the lists indicating the qualifications of eligibility provided by the common database created within the Ministry and the Union in electronic form, shall establish an election poll board consisting of one chairman and two members among public officers or members that are not candidates in order to make the elections, and shall determine three alternate members in the same way. In the course of election of the organs of the Union, one chairman and four members and five alternate members for the board of election poll shall be determined by the chairman of central district election board among public officers or delegates who are not candidates.

In the absence of the chairman of the election poll board, the eldest member shall preside to the board. Election poll board shall be responsible for the execution and management of elections in accordance with the procedures stated in this Law and classification of the votes. Duties of election poll board shall continue without any interruption until the finalization of the election and classification procedures.

Wage shall be paid to the judge, who is the chairman of the district election board, and to the chairman and members of the election poll board in accordance with the principles stated in the 298 numbered Law on Main Provisions of Elections and Register of Electors. These wages and other election expenses shall be met by the chamber, commodity exchange or the Union, which conducts the election.

The crimes committed against the chairman and members of the election poll board in the course of elections shall be punished as if they were committed against public officers.

Qualifications regarding the participation to the elections of the organs of chamber, commodity exchange and the Union

ARTICLE 83. – Real persons over the age of 18, and real person representatives, who are authorized to make representation and binding transactions under the registered articles of association of a legal entity, may exercise voting in the course of elections of the organs of chamber, commodity exchange and the Union in accordance with the provisions of this Law.

In order to be elected to the organs of a chamber, commodity exchange and the Union, the candidates shall have the following conditions:

a) To be registered to the chamber and commodity exchange for a minimum of two years, except for the newly established chambers and commodity exchanges,

b) To have completed the age of 25 at the time of election,

c) Not to have gone bankrupt or gained his reputation back even if he went bankrupt,

d) **(Amended with article 541 of the 5728 numbered Law)**

Not to have been sentenced to imprisonment for 5 years or more because of intentionally committing a crime(s) or crimes against the security of the State, crimes against the Constitutional System and the operation of this system, crimes against the national defence, crimes against the state secrets, and espionage, embezzlement, corruption, bribery, theft, fraudulency, forgery, abuse of trust, fraudulent bankruptcy, rig an official bidding, rig of execution of performance, clearance of the value of the assets acquired illegally, smuggling, tax fraud or unjustly goods obtainment, even if the periods stated within article 53 of the Turkish Criminal Code has expired.

e) **(Revoked with article 578 of the 5728 numbered Law)**

f) Being an income or corporate tax payer due to his commercial and industrial revenues.

g) Being a literate.

The real person representatives of national or foreign legal entities who are authorized to make representation and binding transactions under their registered articles of association and have the above qualifications shall be elected to the organs of chamber, commodity exchange and the Union in accordance with the provisions of this Law.

When persons lose their eligibility to be elected, their duties in the chamber, commodity exchange and the Union shall be terminated.

Other issues regarding the qualifications of participation to the elections of organs shall be determined by a regulation to be prepared by the Union.

(Amended with article 3 of the 5795 numbered Law) In order for the members of the chamber and commodity exchange to exercise their rights to elect and to be elected, it is compulsory for them to be the owners, partners, members of the board of directors, general managers, managing directors, and authorized to represent and make collections on behalf of their companies. It is also required that this situation shall cover a period of at least six months before the election.

In case the member company is defunct, or transfers the registration of its office and headquarter to the working territory of another chamber, his duty in the chamber,

commodity exchange and the Union, which he was elected along with his membership to the chamber, shall be terminated.

Elections of the organs of chambers and commodity exchanges

ARTICLE 84. – Elections of the organs of chambers and commodity exchanges shall be commenced in October and finished in November pursuant to the provisions of this Law and in accordance with the following procedures and principles:

a) Grouping transactions and the election of the profession committees:

1) The lists prepared by the board of directors of chambers and commodity exchanges minimum twenty days before the election of profession committees on the basis of profession groups existing in the database regulated in the Ministry and the Union in electronic form and demonstrating the persons having the right to vote and to be elected, shall be submitted in three copies to the chairman of district election board where the institution is located.

2) The judge shall have the lists examined by the election poll committee, order the relevant records and documents if necessary, and approves them in five days at the latest upon having completed the deficiencies, if any. Approved lists, the date and place of the election and other issues shall be announced for three full working days by hanging on the announcement places of the chamber or commodity exchange. The samples of those lists shall, upon request, be given to the members of the chamber and commodity exchange provided that the charge of samples shall be paid. The issues deemed necessary by the chairman of the district election board shall be promulgated to the relevant persons via local press organs.

3) The objections rose against the lists by the members of the chamber and commodity exchange within the announcement period shall be examined by the chairman of the district election board and be settled within two days at the latest. An objection against such decisions shall be raised to the province election board within three days from the date of notification. The decision of the province election board to be granted within three days shall be final.

4) The lists finalized in this way, the date and duration of the election and other issues related to the election shall be approved and delivered to the relevant chamber or commodity exchange. Finalized lists and other issues related to the election shall be announced for three full working days on the announcement places of the chamber or commodity exchange before the election.

5) The lists belonged to the profession groups of the newly established chambers and commodity exchanges shall be prepared in accordance with the regulation by a grouping board consisting of five or seven members to be elected by the chairman of the district election board or any authorized officer nominated by him and submitted to the competent judge for the election of profession committee.

6) Elections of the profession committee shall be made by the relevant elector member via placing the votes in special envelopes to be separately granted for each profession group.

b) Profession groups elect the principle and alternate members for the assemblies of the chamber and commodity exchange together with the members of the profession committee, under judicial supervision.

c) The assembly shall elect the chairman and the members of the board of directors of the chambers and commodity exchanges within the same list in maximum two days following the finalization of the elections under the judicial supervision.

d) The election of the delegates of General Assembly of the Union and the principal and alternate members of the disciplinary board shall be made by the assembly along with the election of the members of the Board of Directors.

The procedures and principles regarding grouping transactions and election of the profession committees shall be applied to the elections of the assembly, board of

directors and disciplinary board of the chambers and commodity exchanges and election of delegates of the General Assembly of the Union.

The procedures and principles of the election of the branches of chamber and commodity exchange shall be determined by a regulation prepared by the Union in accordance with the provisions stated in this article.

The objection period is one day following the announcement of the election results of the organs of chamber and commodity exchange and delegates of the Union.

Election of the organs of the Union

ARTICLE 85. – Election of the organs of the Union other than the General Assembly delegates is made in May in accordance with the procedures and principles determined in this Law and under the judicial supervision.

The Chairman of the Union shall be elected primarily among the delegates by the General Assembly of the Union.

Principal and alternate members of the Board of Directors of the Union and assemblies of the chamber and commodity exchange are elected in the General Assembly of the Union by the relevant delegates among themselves, on the same day of the election of the Chairman of the Union. The elections of the Board of Directors of the Union and assembly cannot start until the election result of the Chairman of the Union is announced. In case the election of the Chairman of the Union is cancelled upon an objection, the elections of the Board of Directors of the Union and assembly are deemed *per se* invalid.

The principal and alternate members of the Supreme Disciplinary Board are elected by the Union General Assembly among delegates.

Elections of the Board of Directors of the Union and the assemblies of the chamber and commodity exchange are made together with the election of Supreme Disciplinary Board.

The objections shall be made on the day of election and settled on the same day.

CHAPTER FOUR

Disciplinary and Pecuniary Penalties

The circumstances that disciplinary penalties applied

ARTICLE 86. – Disciplinary penalties stated in this Law shall be applied to the members of the chamber and commodity exchange who act and behave contrary to the honor of the profession or the necessities of professional order and customs, and fail to perform their professional duties towards their customers or act contrary to the honesty that their duty requires.

Disciplinary sanctions and penalties

ARTICLE 87. – Disciplinary penalties and the acts and circumstances that require disciplinary penalties to be applied respectively are as follows:

a) Warning: Warning is a written declaration delivered to the relevant member in order to notify him to pay more attention while performing his duties and in his behaviors. The acts and circumstances that require warning are as follows:

1) To perform acts and actions that are contrary to professional honor and dignity.

2) The failure in the performance of invitation and request made by the relevant board of directors regarding the membership duties and liabilities, without any excuse.

3) To make statements that injure the reputation of the chamber, commodity exchange or the Union that he is a member of.

4) To act contrary to the disciplinary manners and courtesy during the course of his relationships with the customers or the business owners.

b) **Condemnation:** Condemnation is a written declaration delivered to the relevant member in order to notify him of the fact that the member is deemed to be at fault in his professional acts and behaviors. The acts and circumstances that require condemnation are as follows:

1) To make unsubstantial publications that injure the reputation of the chamber, commodity exchange or the Union that he is a member of.

2) The failure perform his undertakings towards the customers or the business owners.

3) To make unfair accusations towards the persons that have professional relationship with him.

4) To make misrepresentations regarding the qualification or the quantity of the goods to be sold.

5) To use illegal measurement and weight apparatus on purpose.

6) To perform an act that require more than one condemnation penalty in two years.

7) The failure to obey the measures taken by the judge or the election poll committee in order to perform the elections of the organs regularly and properly.

c) **Provisional exclusion from membership;** is the exclusion of the member from membership of the chamber or the commodity exchange for a minimum of two and a maximum of twelve months. In case where any member, who is imposed of a penalty of condemnation, performs any actions that require the same type of penalty within a term of five years, he shall be provisionally excluded from membership.

d) **Long-term exclusion from membership;** is the member's expulsion of the registration of the membership from the chamber or the commodity exchange and from the trade registry for a five years period of time. In case that the member, who was imposed of a provisional exclusion from the membership, necessitates the imposition of a penalty of condemnation with in three years from the exclusion shall be imposed of a long-term exclusion from membership.

The penalties stated in this article shall be imposed by the assembly upon the proposal of the disciplinary board. The principles on disciplinary offence and remedies shall be set out in a regulation enacted by the Ministry.

Conducting a disciplinary inquiry

ARTICLE 88. – The disciplinary inquiry related with the members of the chamber and commodity exchange shall be conducted by the disciplinary board of a chamber or commodity exchange.

The disciplinary boards shall appoint one of their members as an inquirer and propose a penalty upon the report submitted by the inquirer. The member conducted the inquiry shall not attend to the meeting at which the penalty proposal is discussed.

Commencement of the disciplinary inquiry

ARTICLE 89. – The boards of directors, upon the denunciation or the complaint or in the case of learning the behavior directly *ex officio*, are obliged to decide, in ten days, whether to initiate a disciplinary inquiry or not.

Upon the transmission of the decision of the board of director to initiate an inquiry, if the disciplinary boards decide on the formation of the crime, they either have to propose a penalty or, if they decide that ***no crime is committed***, therefore there is no need for a penalty, at most in two months period of time. This period of time can be extended by the decision of the board of directors, if necessary. The disciplinary inquiry shall be concluded in one year at the latest.

Disciplinary inquiry proceedings, in any case, have to be commenced in one year from the date of the act or behavior. If a disciplinary inquiry is commenced due to the acts constituting a case to criminal action, the inquiry shall be commenced within one year from the date of the finalization of the criminal court decision.

Right of defense

ARTICLE 90. – In disciplinary inquiries and pecuniary penalties that shall be given, it is compulsory to transmit the accusation to the relevant member in a written form of notification, ask for his defense and grant a period of minimum ten days for the preparation of his defense.

The impact of criminal inquiries

ARTICLE 91. – In case that a member, whose act gives rise to a subject of disciplinary action and decision, is claimed at criminal court for the same act, this situation does not prevent the inquiry to be commenced and a disciplinary penalty to be given.

With the exception of the case of acquittal regarding that the action is not performed or not performed by the accused, the commencement of a disciplinary inquiry about actions subject to the criminal case which resulted in acquittal shall depend upon the character of the act which may necessitate a disciplinary inquiry independently and separately from provisions of criminal legislation.

Notification of decisions

ARTICLE 92. – Disciplinary penalties shall be notified in a reasoned form in ten days to the relevant persons. The relevant person may object to the Supreme Disciplinary Board for the disciplinary penalties and decisions regarding not imposing penalties, with the exemption of warning, within fifteen days from the date of notification.

It is possible to apply for administrative procedures for the decisions given directly or upon objection against the decisions regarding disciplinary penalties.

Pecuniary penalties

ARTICLE 93. – The members of the chambers and commodity exchanges may be imposed of administrative fines in the following manners:

a) The members, who do not duly perform the registration and recording transactions or not notify the amendments required to be recorded and announced in accordance with the legislation, shall be issued with an administrative fine twice as high as their annual subscriptions fees.

b) **(Amended with article 38 of the 5684 numbered Law)** The members, who do not comply with the decisions taken by the competent organs, and the Insurance Agents Executive Committee and the Insurance Experts Executive Committee , shall be issued with an administrative fine five times higher than their annual subscription fees.

c) The members, who do not comply with the health regulations in the process of manufacturing and supply of goods and services, who use the measuring and weight apparatus fraudulently, who produce and sell fraudulent, complex, out of standards and poor quality goods, shall be issued with an administrative fine ten times as much as their annual subscription fees.

The administrative fines regarding those acts and behaviors shall be issued by the decision of the assembly upon the proposal of the disciplinary board. The administrative fines stated in this article shall be applied twice for the amount that is set out in each repetition of the same act or behavior within one year.

The administrative fines issued in accordance with this Law shall be recorded as revenue by the chambers and commodity exchanges. An objection shall be made to the competent administrative court against these penalties within thirty days from the date of notification. The objection shall not cease the execution of the imposed administrative fine. The limitation period regarding the administrative fines envisaged in this Law is sixty days from the date that the competent institution became aware of the violation and in any case two years from the date that the violation has occurred.

Imposition of pecuniary penalties shall not prevent the imposition of a disciplinary penalty.

CHAPTER FIVE

Termination of Activities

Termination of the duties of organs and prohibition of their activities

ARTICLE 94. – The decision on the termination of the duties of the organs of chamber, commodity exchange and the Union, which do not fulfill the principal duties prescribed by this Law or do not realize the purposes of their establishment in spite of written notice of the Ministry, and the election of the new ones instead of those shall be made by the court of first instance upon the request of the Ministry or the public prosecutor located in the province. The proceeding is subject to simple trial procedure and finalized within two months at the latest.

The new organs shall be nominated for the places of organs, whose duties are terminated, within one month at the latest in accordance with the principles and procedures set out in this Law. The newly nominated persons shall complete predecessors' terms of office.

The disposal of these organs that caused the termination of these organs' duties and which is stated by the decision of the court shall be void.

The Union shall determine for the chamber and commodity exchanges and the Ministry shall determine for the Union how to execute the routine works and transactions until the new organ's elections are made.

The governor for chambers and commodity exchanges and the Cabinet for Union may decide to prohibit the organs to display activities and inform the Ministry about this prohibition in cases where national security and public order, the prevention of the criminal offences and of their continuation and seizure require so, and if the delay cause inconveniences.

The decision on prohibition from activities shall be submitted to the competent judge for its approval within twenty-four hours; the judge shall declare his decisions within forty-eight hours. Otherwise, this administrative decision shall *per se* become abolished.

The decision on prohibition from activities shall remain valid until the decision regarding the request for the termination of the duties of the organs is definitely made.

Apart from the *foregoing cases or those cases* laid down in this Law, the duties of the organs of chamber, commodity exchange, or the Union shall not be terminated and the staff on duty in these organs shall not be dismissed.

Abolition and liquidation of the chambers and commodity exchanges

ARTICLE 95. – *The chambers and commodity exchanges, which decide with the two-third majority of their assemblies not to be able to fulfill their activities and establishment purposes prescribed by the Law, shall be abolished by the Ministry upon their request and affirmative opinion of the Union.*

The commodity exchanges may be abolished by the Ministry upon the request of the Union in case where their activities are not required.

The criterion of quality, infrastructure, budget and number of members required to be abided by the chambers and commodity exchanges and the procedures and principles regarding the abolition and liquidation of the chambers and commodity exchanges, which have lost the conformation to such criterions, shall be determined by a regulation enacted by the Ministry by taking the opinion of the Union.

The assets of the chambers and commodity exchanges transformed into branches shall be transferred to the chamber and commodity exchange to which they are affiliated and the assets of the closed chambers and commodity exchanges shall be transferred to the Union.

CHAPTER SIX Sundry Provisions

Meeting and Decision Making Quorum

ARTICLE 96. – Organs of chamber, commodity exchange and the Union shall convene with the majority of the total number of their members. The decisions shall be taken by the majority of those who attended to the meeting. Quorum for disciplinary boards and the supreme disciplinary boards are the majority of the total number of their members.

The organs of the chamber, commodity exchange and the Union cannot abstain from voting at the meetings.

The boards of directors of the chambers and commodity exchanges shall convene once in a week and the assembly and profession committees shall convene once in a month upon the invitation of the disciplinary boards, the chairman of the board or the board of directors. When it is necessary, the board of directors, assembly and profession committees of the chambers and commodity exchanges may be called to an extraordinary meeting by their chairmen.

All profession committees of the chambers and commodity exchanges shall make a common meeting in every six months. The board of directors shall also attend to this meeting.

The members, except for the elections of organs, cannot attend and vote at the meetings regarding the affairs related to themselves, their spouses, their blood relatives up to the third degree, including the second degree their affinities up to the second degree, and their adoptees. In this circumstance, if the quorum is not met, the alternate members shall be invited.

The members working in the organs of chambers, commodity exchanges and the Union shall be assumed to be withdrawn from the membership, if they do not attend to absolute majority of the meetings held in six months with or without any reason. This provision shall not apply to the members entrusted with a task in another place by their own organs.

In case where the ordinary meetings cannot be held in three consecutive times due to non-obtainance of the quorum, the membership of those who have not attended to such three meetings shall be *per se* terminated and alternate members shall be called to replace them.

The membership in the organs of chamber, commodity exchange and the Union of the persons, whose membership in the chamber and commodity exchange is terminated for any reason, are *per se* terminated and alternate members are called to replace them.

In cases where the duties of the persons working in the organs of chamber, commodity exchange and the Union are terminated due to death, resignation and a court decision, alternate members are called to replace them.

The number of votes given to the relevant alternate member shall be taken into consideration while calling the alternate members. Furthermore while calling the alternate members for the Union, the principles of representation laid down in this Law shall be taken into account.

In case where the duty of the chairman of the board of directors of chambers and commodity exchanges and the Chairman of the Union is terminated for any reason, one of the members of the board of directors shall be nominated by the board of directors of the chamber, commodity exchange or the Union within one month as the chairman of the board of directors and the Chairman of the Union in order to complete the remaining time. The eldest deputy chairman shall be on duty on a temporary basis up to the elections.

Representation

ARTICLE 97. – In case of absence of the chairman of the profession committees of the chambers and commodity exchanges, the assembly and the board of directors, and the chairman of the General Assembly of the Union, the chairman of the Union, and the chairmen of the council, the deputy chairmen nominated by them shall represent the relevant duties.

In case of absence of the secretary general of chamber, commodity exchange and Union, the deputy chairmen nominated by them shall represent their places.

Attendance fee

ARTICLE 98. – The members of the profession committees, board of directors and assembly of the chamber and commodity exchange may be paid an attendance fee for the meetings they have attended.

The sum of money to be paid to the members of the profession committees and board of directors of the chamber and commodity exchange shall be determined by the assemblies, the sum of money to be paid to the members of the assemblies shall be determined by the General Assembly upon proposal of the Board of Directors of the Union.

Relation between the chambers and commodity exchanges

ARTICLE 99. – The board of directors of the chambers established in the same province shall request an opinion as a consultation from other chambers while taking professional decisions. The chamber whose opinion was requested shall express its opinion within seven days at latest.

The board of directors of chamber and commodity exchange may object to the decisions of the other chambers and commodity exchanges in the same province. Upon application of the objecting chamber or commodity exchange and under the invitation and presidency of the eldest chairman of the assembly, the boards of directors shall settle the dispute by convening collectively. In case of dispute, the Union shall be the arbitrator.

Furthermore, the board of directors located in the same province, shall convene once every four months in order to form an opinion on the professional matters.

The procedures of the meeting and discussion shall be determined by a regulation that shall be prepared by the Union.

Auditing

ARTICLE 100. – Chambers, commodity exchanges, the Union and the institutions related to and in connection therewith, are subject to the audit of the Ministry.

Regulations

ARTICLE 101. – The regulations referred to in this Law that are to be issued by the Union, shall enter into force by publishing in the Official Gazette, upon the approval of the Ministry.

Provisions not to be implemented

ARTICLE 102. – The certificate of proficiency which is set out in Law No. 3308 on Professional Education shall not be requested from those who are registered to the trade registry.

Abolished provisions

ARTICLE 103. – Law No. 5590 of March 8, 1950 on “Chambers of Commerce and Industry”, “Chambers of Commerce”, “Chambers of Industry”, “Chamber of Maritime Commerce”, “Commodity Exchanges” and “The Union of Chambers of Commerce,

Industry, Maritime Commerce and Commodity Exchanges of Turkey”, have been abolished.

The references made to Law No. 5590 of March 8, 1950 in the other legislation shall be deemed as have been made to this Law.

TEMPORARY ARTICLE 1. – The staff positions that have been listed on the attached list numbered (1), have been established and attached to section of Ministry of Trade and Industry of the schedule numbered (I) attached to the Decree Law No. 190 on General Staff and Procedure the staff positions that have been listed on the attached list numbered (2) have been cancelled and removed from the section of Ministry of Trade and Industry of the foregoing Decree Law. The staff that has been engaged in the staff nominated as commissary of commodity exchange, which has been cancelled on the date of enforcement of this Law shall be appointed, within two months, with their same staff position degrees to the expert staff positions established under this Law.

Such staff shall be entitled to get their wages, additional indicator and all other wage increase and indemnities and other financial rights concerning to their previous positions until they are appointed to a new staff position. In case that the net amount of the sum of salary, additional indicator, every kind of increase and indemnities and other financial rights of the new staff position that the commissary of commodity exchange have been appointed is less than the net amount of the sum of salary, additional indicator, every kind of increase and indemnities and other financial rights that they used to earn in the last month according to their previous staff position, the amount of difference shall be paid as indemnity without any deduction as long as they stay in the staff position that they have appointed.

TEMPORARY ARTICLE 2. – The common databases envisaged in this Law to be established within the body of the Ministry and the Union in electronic form, the lists of the members who have the right to elect and to be elected in accordance with their profession groups of chambers and commodity exchanges shall be formed within six months in accordance with the principles to be determined by the Ministry.

TEMPORARY ARTICLE 3. – The regulations referred herein shall be put into force within six months as of the date of enforcement of this Law. Until these regulations put into force, the provisions of currently applicable regulations and directives which are not contrary to this Law shall continued to be applied.

TEMPORARY ARTICLE 4. – In the chambers and commodity exchanges, which have converted into branches affiliated to the chamber or commodity exchange of province within one year as of the date of enforcement of this Law, the subscription debts and overdue increases of members to this chamber of commodity exchange, of chambers and commodity exchanges to the Union shall be deleted and the members shall not pay any subscription for five years.

TEMPORARY ARTICLE 5. – In case that the total late subscription debts of members to the chambers and commodity exchanges, of chambers and commodity exchanges to the Union shall be paid in six months as of the date of the enforcement of this Law, the overdue increases regarding these debts shall be deleted.

TEMPORARY ARTICLE 6. – Agencies that have been established before this Law came into force shall be transformed into the branches or representative office affiliated to the relevant chamber.

TEMPORARY ARTICLE 7. – The amounts of subscription and fees set out in articles 24, 25, 50, 51 and 71 of this Law shall be implemented as, minimum twenty millions and maximum one hundred thirty millions Turkish Liras, for the year 2004.

TEMPORARY ARTICLE 8. – The qualifications and conditions set out in articles 74 and 75 of this Law shall not be requested from the ones who have been already appointed as secretary general and assistant secretary general before this Law came into force.

TEMPORARY ARTICLE 9. – The elections of organs of the chambers and commodity exchanges, which required to be done in the year of 2004, shall be done in March in the year of 2005.

The duration of duty of the members who have been elected to chamber and commodity exchange organs before the enforcement date of this Law shall last until the elections of organs of chamber and commodity exchange organs to be made in March 2005 and the duration of duty of the members who have been elected to organs of the Union shall last until the election to be made in May 2005. The Chairman of the Board of Directors of the Union shall continue to do his duty with title of the Chairman of the Union as of the enforcement date of this Law until the elections. The first elections of the disciplinary board shall be made on the foregoing dates.

The last paragraph of article 81 of this Law shall not be implemented in relation to those persons who are still on duty in the organs of chambers and commodity exchanges, until the first organs elections of chambers and commodity exchanges.

TEMPORARY ARTICLE 10. – As of the first elections to be made after the enforcement of this Law, persons who have been charged consecutively two times with duties of chairman of assembly, chairman of board of directors, chairman of council and chairman of the Union cannot be elected for the same duties unless two election terms have been passed by.

TEMPORARY ARTICLE 11. – Chambers and commodity exchanges of districts that have been established before the of enforcement date of this Law shall continue their activities within the scope of their working fields.

TEMPORARY ARTICLE 12. – The employers who were being employed in chambers, commodity exchanges, the Union and in institutions established by them on the enforcement date of this Law shall continue to be employed in accordance with their existing statutes.

TEMPORARY ARTICLE 13. – During six years as of the enforcement date of this Law, five percent of the annual income of the Union and, during fifteen years subsequent to such period, two percent of the annual income of the Union shall be allocated to Educational and Cultural Foundation of Chambers and Commodity Exchanges of Turkey and the University of Economy and Technology of the UCCET in order to be used exclusively for their needs. The principles on sharing the amounts to be granted shall be determined by the Board of Directors of the Union.

TEMPORARY ARTICLE 14. – **(Added with 5290 numbered law)** Subsection 6 of article 83 of this law shall not be applied to the elections stated within the temporary article 9 of this law.

TEMPORARY ARTICLE 15. – **(Added with article 38 of 5684 numbered law)** The election of the Insurance Experts Executive Committee shall be completed within 60 days from the elections of chambers` organs. The Undersecretariat of Tresury shall ascertain the temporary Insurance Expert Executive Committee within one month from the publication of Insurance Law until the Insurance Expert Executive Committee is established.

The election of the Insurance Agents Sector Assembly shall be completed within 60 days from the elections of chambers` organs. The election of the Insurance Agents Excecutive Committee shall be completed within 15 days from the establishment of the Insurance Agents Sector Assembly. The temporary Insurance Agents Excecutive Committee shall be ascerted with the decision of the Board of the Directors of the Union of Chambers and Commodity Exchanges of Turkey and the approval of The Undersecretariat of Tresury within one month from the publication of Insurance Law until the Insurance Agents Sector Assembly is established.

TEMPORARY ARTICLE 16. – (Added with article 31 of 5838 numbered law)

The complete additional interest charges for the late payment of membership fee debts of the members to the chambers and commodity exchanges, and chambers and commodity exchanges to the Union, and also if the members of the chambers and commodity exchanges, and the chambers and commodity exchanges pay their membership fee debts to the chambers and commodity exchanges and the Union within 6 months from the date of this article is enacted the complete additional interest charges shall be written off.

Enforcement

ARTICLE 104. – This Law shall enter into force on the date of its publication.

Execution

ARTICLE 105. – The provisions of this Law shall be executed by the Council of Ministers.

LIST NUMBER (1)

Institution : The Ministry of Industry and Trade
Organization : Province

STAFF POSITIONS THAT ARE CREATED

| <u>Class</u> | <u>Title</u> | <u>Degree</u> | <u>Free Staff</u> | <u>Occupied Staff</u> | <u>Total</u> |
|--------------|--------------|---------------|-------------------|-----------------------|--------------|
| GIH | Expert | 1 | 35 | | 35 |
| GIH | Expert | 2 | 6 | | 6 |
| GIH | Expert | 3 | 6 | | 6 |
| GIH | Expert | 5 | 1 | | 1 |
| GIH | Data Control | 5 | 24 | | 24 |
| GIH | Data Control | 8 | 20 | | 20 |
| | | Total | 92 | | 92 |

LIST NUMBER (2)

Institution : The Ministry of Industry and Trade
Organization : Province

STAFF POSITIONS THAT ARE TERMINATED

| <u>Class</u> | <u>Title</u> | <u>Degree No</u> | <u>Free Staff</u> | <u>Occupied Staff</u> | <u>Total</u> |
|--------------|-----------------------|------------------|-------------------|-----------------------|--------------|
| GIH | Exchange Commissioner | 1 | 41 | | 41 |
| GIH | Exchange Commissioner | 2 | 9 | | 9 |
| GIH | Exchange Commissioner | 3 | 14 | | 14 |
| GIH | Exchange Commissioner | 4 | 3 | | 3 |
| GIH | Exchange Commissioner | 5 | 16 | | 16 |
| GIH | Exchange Commissioner | 6 | 3 | | 3 |
| GIH | Exchange Commissioner | 7 | 4 | | 4 |
| GIH | Exchange Commissioner | 8 | 2 | | 2 |
| | | Total: | 92 | | 92 |