

İDHD

BUSINESS WORLD AND LAW ASSOCIATION

CONSTITUTION AND BYLAWS

2020

İDHD

BUSINESS WORLD AND LAW ASSOCIATION

CONSTITUTION AND BYLAWS

SECTION I - CONSTITUTION

Name

Article 1 - The name of this association is “BUSINESS WORLD AND LAW ASSOCIATION”, and it shall be governed by the Laws of the Turkish Republic and the provisions of this Constitution & Bylaws and operate in line with its purposes and services. (The Business World and Law Association shall be hereinafter called the “Association”). The Association shall be initialed as “İDHD”.

Headquarters

Article 2 - The headquarters of the Association is in Istanbul. The general assembly of the Association shall be entitled to change the location of the headquarters.

The Association does not have any branch. Upon the approval of the general assembly, the Association may establish branches and assign representatives in Türkiye or abroad. The relevant legislation shall govern the principles for branches.

Founders

Article 3 - Founders are:

Nedim Korhan Şengün
Gül Yanık
Gazali Demir
Yeşim Yetik
Gülce Ekinçi
Mehmet Babür Alçı
Burak Batuhan Birtane

Purposes

Article 4 - The purposes of the Association are to:

- a.** Act as a bridge between the worlds of business and law and to strengthen communication and interaction between those players;
- b.** Empower the financial positions of persons operating, in the past or currently, in the industries of information technology, environment, education, energy, finance, food, construction, media, automotive, trade, textile, tourism, transportation, communication, etc., which have direct or indirect impact on the local economic growth, and to support their operations and projects to increase their contribution to the local economy;
- c.** Be involved in operations to improve cooperation and solidarity among businesspeople;
- d.** Leverage industrial resources and use them effectively;
- e.** Follow legislation, doctrines and legal practices for the business world;
- f.** Observe the national and international growth of law and leverage the current legal system by foreseeing future changes in the legal environment;

- g. Encourage individuals who improve legal studies through their theoretical and practical studies to enhance their knowledge of different legal systems, including Turkish Legal System and Continental Europe and Anglo-Saxon Legal Systems, facilitating their personal development; improve and support mutual understanding, information exchange and personal relationships between experienced and young lawyers through partnerships in legal and occupational studies;
- h. Study the impact of legal developments on the business world and to ensure and drive growth in national and international business by transferring the resulting knowledge to the business world and;
- i. Encourage exchange of information and personal relationships between lawyers and the business world.

Operations and Activities of the Association

Article 5 - For achieving the purposes above in accordance with the legislation on associations, the Association performs the following:

- a. Improve the local economy's legal, corporate and social infrastructure;
- b. Promote the international recognition of businesspeople who leverage the local economy and to secure partnerships with international institutions and organizations to strengthen global relationships;
- c. Design projects to secure sustainable global presence for the Turkish business world;
- d. Follow technological trends worldwide and transfer the resulting knowledge to the business world, take initiatives to promote local R & D activities and enable a local economy that is more focused on producing and exporting technologies;
- e. Study Turkish legislation, doctrines and practices and convey the resulting knowledge to the business world through events and publications;
- f. Guide and promote the National Legal System in light of recent developments in the International Legal System;
- g. Organize meetings and events on national and international trends and developments and explain their impact on the business world;
- h. Inform and advise the relevant ministries and institutions (e.g. the Ministry of Justice, the Union of Turkish Bar Associations, Bars, Universities, Faculties and Professional Organizations) about national and international legal systems, matters and challenges;
- i. Advise Türkiye's executive authorities and the Grand National Assembly, and participate actively in the formulation, negotiation, and legalization of the Turkish Republic's laws in order to build universal legal concepts and procedures that meet the needs of modern democracies;
- j. Establish a documentation center to accommodate purposeful information, documents and publications; publish printed and visual materials (e.g. newspapers, journals, books and bulletins) to promote relevant activities;
- k. Represent the members legitimately in global meetings, secure international partnerships as per the laws and participate in relevant events;
- l. Secure partnerships with universities, research institutions, public institutions and other professional organizations; follow the relevant studies and research; build rapport with officers and offer them collaboration; benefit from the studies of these organizations and work for training opportunities;
- m. Exchange information with associations, foundations, etc. that conduct similar studies worldwide;
- n. Promote international seminars and meetings and send a delegate to seminars, training and other events, relevant to the purpose of the Association, organized by foreign associations with similar operations;
- o. Ensure harmonious collaboration among the members;

- p. Endeavor to recruit new members and honorary members;
- q. Collect donations and funds as prescribed by the laws;
- r. Collect donations for the purposes and activities of the Association;
- s. Conduct other activities for the members as per the Law on Associations;
- t. Establish a commercial enterprise affiliated with the Association to obtain income;
- u. Establish a business corporation or join in an established corporation, pursuant to the Turkish Commercial Code, for the goals and activities of the Association;
- v. Establish a foundation and federation, be a co-founder in a future federation or join in an established federation, if deemed necessary for the purposes of the Association, and found establishments that require permission by obtaining the relevant permission;
- w. Open branches and agencies in places relevant to the purposes of the Association.

Proceedings of the Association

Article 6 - The Association may be involved in any proceeding for its purposes above, pursuant to the Law on Associations and other legislation.

SECTION II - MEMBERSHIP

Membership Terms

Article 7 - Terms of membership of the Association are as follows:

- a. Being a major (for real persons),
- b. Having legal capacity,
- c. Working in the legislative and/or legal field as per Turkish laws and/or international laws in the past or currently,
- d. If the applicant does not fulfill the terms stipulated in article 7/c in Constitution and Bylaws: Being registered at trade associations or organizations (e.g. Chamber of Industry, Chamber of Commerce, Chamber of Architects, Chamber of Medical Doctors, Chamber of Public Accountants) as a natural person or legal entity applying for membership,
- e. Fulfilling the terms stipulated in Law on Associations no. 5253,
- f. Being recommended by at least 2 members of the Association in writing.

The Association shall not grant membership to persons who have been forbidden from membership of any association, who have been released permanently from membership for reasons other than non-payment of dues, and who cannot obtain permission from their affiliated organizations as per the Law on Associations, unless there is a contrary provision in special laws.

Membership Types

Article 8 - The Association's membership types are as follows:

- a. **Voting Member:** It is a member that assumes all the membership liabilities and exploits the membership role and rights. They are entitled to apply for relevant tasks and vote pursuant to the applicable terms, and they are liable to attend general meetings, pay the dues on time, foster the Association's purposes and services and promote the public image of the Association.
- b. **Honorary Member:** It is a member that has obtained honorary quality, owing to their contribution to the Association's purposes, through the unanimous decision of the Executive Board upon the recommendation of at least 3 (three) voting members of the General Assembly.

Honorary members do not have the right to vote, to be assigned to the bodies and to participate in the elections.

Admission to Membership

Article 9 - Applicants fulfilling the terms specified in article 7 in Constitution and Bylaws shall be admitted to membership with the favorable decision of 2/3 (two thirds) of the Executive Board members, following the applicant's submission of the membership application form and the documents specified therein along with the entry fee to the Executive Board during application. The admitted member shall also pay the annual fee following their admission.

The Executive Board shall be obliged to review the membership application and notify the applicant about their final decision in writing no later than 30 days after the application date.

The rejection of the Executive Board shall be decisive and may not be subject to any objection.

If the Association has more than three branches, the members' records kept in the headquarters shall be transferred to branches. Membership applications to the branches shall be filed for the corresponding branches. The boards of branches may admit and release members, and they shall notify such decisions to the Headquarters in maximum thirty days.

Admitted members shall be registered in the Association's Member Records.

Resignation from Membership

Article 10 - Membership terminates in case of decease or membership termination application. Members may resign from their roles at the Association upon their request in writing. They shall provide a written membership termination notice and deliver it to the Executive Board via postal service/shipping or by hand.

The resigning or released members shall pay any remaining membership dues. The resigning or released members may not make any claim to the Association property.

Membership Termination and Objection

Article 11 - Members that no longer qualify for membership or unjustifiably fail in liabilities arising from the Constitution and Bylaws shall lose their membership rights following the Executive Board's termination of their membership. The Executive Board's decision therefor shall be notified to the member in writing. Members released due to their non-performance of liabilities as per the Constitution and Bylaws shall have the right to object within fifteen days following the written notice date of membership termination.

The resigning or released member, unless in case of death, shall pay any remaining dues. Otherwise, the Executive Board may take action against them. Resigning or released members shall be removed from the membership records and may not make any claim to the Association property.

Rights of Members

Article 12 - The members of the Association shall have equal rights. Each member shall have the right to be involved in the activities and management of the Association.

Except for non-voting honorary members, each voting member shall have a ballot in the General Assembly. Voting members shall vote in person.

Duties of Members

Article 13 - Pursuant to the Constitution and Bylaws, the members shall be responsible to:

- a. Participate in the activities of the Association,
- b. Perform the duties assigned by the authorized bodies of the Association,
- c. Pay their admission fees and annual fees on time,
- d. Attend the meetings of the Association's bodies (if assigned to those bodies),
- e. Abide by the decisions of the Association and ensure the fulfillment of common interests, and
- f. Follow the Constitution and Bylaws

for the purposes of the Association. Honorary members shall not be obliged to pay the admission fee and the annual fee.

Members shall follow the Association's code of conduct and be loyal to the Association. Each member shall respect the purpose of the Association and avoid behaviors that might jeopardize or impede the purpose.

SECTION III. ASSOCIATION'S BODIES AND WORKING PRINCIPLES

Bodies of the Association

Article 14 - The Association's bodies are as follows:

- a. General Assembly
- b. Executive Board
- c. Supervisory Board

General Assembly and Its Working Principles

Article 15 - The General Assembly is the highest authority of the Association, comprising of the registered members that have paid their dues and any interest thereof, including those of the year of meeting. In case the Association establishes any branch: the General Assembly shall comprise the members registered at the headquarters and branches if the number of branches is up to three and of the delegates selected by the general assemblies of branches, following the transfer of the headquarters' registered members to other branches, if the number of branches is more than three. Legal entity members may attend the meetings through their board chair or authorized delegates. The General Assembly shall hold:

- a. ordinary meeting in times specified in the Constitution and Bylaws and
- b. extraordinary meeting if required by the Executive Board and the Supervisory Board or upon the written request of one fifth of the members within thirty days.

The meeting agenda shall concern only the relevant subject. The agenda may not be altered.

Ordinary General Meeting shall be held in March once in three years on the date, in the place and at the time to be determined by the Executive Board, or in the manner specified in the legislation.

The General Meeting shall be called by the Executive Board.

If the Executive Board does not call the General Meeting, the justice of the peace shall assign three members to call the General Meeting upon the request of a member.

Call

The Executive Board shall make a list of members entitled to attend the General Meeting as per the Constitution and Bylaws. The members eligible to attend the General Meeting shall be notified about the date, time, place and agenda of the meeting via an announcement on a newspaper, or a physical or electronic mail, or an announcement on the website of the association, or a message to the member's contact number, or communication means nearby at least fifteen days before the meeting. If a meeting cannot be organized due to lack of majority, the notice shall ordinarily specify the date, time and place of the second meeting. The interval between the first meeting and the second meeting may not be less than seven days and more than sixty days.

If the meeting cannot be held for any reason other than the lack of majority, the members are notified about the situation by means of the first invitation, and the reason is specified. The second meeting must be held within maximum six months after the postponement date.

The members shall be notified about the second meeting by such means stipulated in the first paragraph. The General Assembly may not be postponed more than once.

Way of Meeting

General meetings of the Association shall be held on the date, in the place and at the time specified in the notice of the Executive Board.

The General Meeting shall be held when the simple majority eligible to attend is present, or in case of amendment in the Constitution & Bylaws and dissolution of the Association, when two thirds of the members are present. If the meeting is postponed due to lack of simple majority, the presence of the majority is not required in the second meeting. However, the number of participants may not be less than two times of the number of all the members of the executive board and the supervisory board.

In the place of meeting, a full list of the members eligible to attend the General Meeting shall be made available. The official identity cards of the participants shall be checked by the Executive Board members or their authorized officers. The members shall enter the meeting venue by signing the corresponding field in the list prepared by the Executive Board. Members unwilling to present their identity cards and sign the list or unqualified to attend the general meeting shall not be admitted into the meeting venue. These members and other persons may follow the meeting from a separate section.

If quorum is reached, it shall be recorded in a minutes, and the meeting shall be called to order by the President or a board member to be assigned by the President. Otherwise, the Executive Board shall prepare another minutes to specify the situation.

After the call to order, the council committee shall be established by appointing a director, a certain number of vice directors and secretaries.

In the vote for electing the Association bodies, the voting members shall present their identity cards to the council committee and sign the corresponding field on list of participants.

The president of council shall be responsible for the management and security of the meeting.

During a general meeting, only the relevant agenda items shall be discussed and resolved. However, the matters whose discussion is requested in writing by a tenth of the participants must be placed among the agenda items.

At general meetings, each member shall have one vote to be cast in person. Honorary members may attend the general meetings but may not vote. If the member is a legal entity, the voting person shall be the board chair of that member or a person assigned for that duty.

During the meeting, the agenda items and the decisions shall be specified on a minutes to be signed by the council president and the secretaries. At the end of meeting, the minutes and other documents shall be delivered to the director of council. The President shall be responsible for preserving those documents and delivering them to the newly appointed Executive Board within seven days.

General Assembly's Manner of Voting and Taking Decisions

At the general meetings, the members of the executive board and the supervisory board shall be voted by secret ballot, and other decisions shall be voted by open ballot. For secret votes, members shall peruse the voting papers sealed by the director of meeting and place them into an empty container, which shall be counted openly following the end of voting.

As for open votes, the method shall be determined by the director of the general meeting.

The General Assembly decisions shall be taken by ensuring simple majority. Decisions for amendment to the Constitution and Bylaws and for the dissolution of the Association may be taken by ensuring the presence of two thirds of the participants.

Decisions Taken without Meeting and Call

Decisions taken in writing, without the gathering of all members, as well as decisions taken with all the members' gathering without following the written notice procedure described herein shall be valid. These decisions shall not construe ordinary meetings.

Duties and Powers of the General Assembly

Article 16 - The duties and powers of the General Assembly are as follows:

- a. Select, supervise and, if legitimate, dismiss the Association bodies;
- b. Amend the Constitution & Bylaws;
- c. Discuss the reports by the Executive Board and the Supervisory Board, discharge the Executive Board;
- d. Discuss the budget prepared by the Executive Board and approve it entirely or with changes;
- e. Determine, increase and decrease the membership fees;
- f. Purchase the necessary immovable property for the Association or authorize the Executive Board for selling the available immovable property;
- g. Authorize the Executive Board for establishing a commercial enterprise affiliated with the Association or helping the Association establish a business corporation, pursuant to the Turkish Commercial Code, or be a shareholder in an established business corporation;
- h. Take decisions for the Association to attend international activities, join foreign associations and organizations or resign from membership of the same;
- i. Abolish the Association;
- j. Perform other duties of the General Assembly as specified in the legislation and the Constitution & Bylaws;
- k. Make final decisions on the objections of former members;
- l. Review and decide upon other recommendations of the Executive Board;
- m. Decide to open/close down branches and authorize the Executive Board for the applicable branch procedures relevant to such decisions.

Executive Board and Its Working Principles

Article 17 - The Executive Board shall consist of seven voting members and five substitute members who shall be appointed by the General Assembly by secret ballot. The Executive Board's term of office shall be three years.

The members may be reelected to the Executive Board.

The Executive Board Members shall strive to attend the Executive Board meetings. The Association shall terminate the Executive Board Membership of a member who has not attended four Executive Board meetings in a year.

If absenteeism or other vacancy is seen in the voting members during the Executive Board meetings, the substitute members shall be assigned in the respective order of their number of votes at the general meeting.

If the number of Executive Board members is less than half of that of all the members, even after assigning the substitute members to the vacancies, an extraordinary general meeting shall be called by the current Executive Board members or the Supervisory Board for reelection within a month. In the absence of such a call, upon the request of a member, the jurisdiction's justice of the peace shall hold a hearing and assign three members to organize a general meeting within a month.

The working principles of the Executive Board are as follows:

- a. The Executive Board shall appoint a president, vice presidents and a treasurer during the first meeting to be held in seven (7) days following its election. The President shall be also the director of the Association. The first meeting shall be chaired by the oldest member of the Executive Board. If needed, the Executive Board shall also select the secretary general and the assistants from the members.
- b. The Executive Board shall meet at least once in three months, in line with the call of the President and the predetermined agenda, and may hold an extraordinary meeting if necessary.
- c. The Executive Board's meeting quorum shall be the majority of all members, and the decision quorum shall be the majority of meeting participants. If votes are equal, the decision voted by the President shall rule.

Duties and Powers of the Executive Board

Article 18 - The Executive Board shall have the following duties and powers:

- a. Represent the Association or authorize one or several members or third-parties therefor;
- b. Calculate the earnings and expenses of the Association, prepare the budget for the next period and submit it to the General Assembly;
- c. Prepare the report of the previous period as well as balance sheets and P & L statements;
- d. Take decisions to achieve the purposes of the Association and to perform its activities, practice those decisions and obtain borrowings if required;
- e. Establish principles and procedures for membership applications, membership-related other matters and the appointment of bodies; submit the same to the approval of the General Assembly;
- f. Determine the necessary penalties for members that lose their membership qualifications, wander from the purposes and services, act against the Constitution & Bylaws and the General Assembly decisions and behave inappropriately;

- g. Define the date, time, place and agenda of the Ordinary General Meetings, make meeting calls in accordance with the Constitution & Bylaws and invite the General Assembly to an extraordinary meeting when necessary;
- h. Implement the decisions taken at the General Assembly;
- i. Establish management and service committees, if needed, and take the relevant decisions based on the reports by these committees;
- j. Decide upon establishing partnerships, commercial businesses, foundations, and charity funds, or join those established or to be established;
- k. Set up representative offices in relevant places and appoint representatives to leverage the Association's operation scale;
- l. Notify the members and relevant persons about general meeting decisions;
- m. Determine the qualities, salaries, working principles, and management & supervision methods of the personnel to be included in the teams determined and approved by the General Assembly for the work of the Association;
- n. Keep the books of the Association, and fulfill the statement and notice liabilities;
- o. Decide on written and verbal announcements to the press and the public on behalf of the Association;
- p. Take the relevant decisions in line with the Constitution & Bylaws and other provisions in the legislation and practice the General Assembly decisions;
- q. Establish management and service committees and decide on the committee reports.

Supervisory Board, Working Principles and Internal Audit

Article 19 - The Supervisory Board shall comprise three voting members and three substitute members that shall be appointed for three years by the General Assembly by secret ballot. The Supervisory Board shall select a chair during its first meeting.

The members may be reelected to the Supervisory Board.

The Supervisory Board shall fulfill its supervision duties owing to the principles and procedures set forth in the Constitution and Bylaws at intervals less than a year and report the audit results to the Executive Board and, at relevant times, to the General Assembly. The Supervisory Board's quorum for meetings shall be the majority of all members while the quorum for decisions shall be the majority of meeting participants.

At the Association, audits may be performed internally by the General Assembly, the Executive Board and the Supervisory Board and externally by independent audit companies. The audits performed by the General Assembly, the Executive Board and independent companies shall not release the Supervisory Board from its supervision liabilities.

The Supervisory Board shall audit the Association at least once in a year. The General Assembly and the Executive Board may perform audits if deemed necessary or refer to independent audit companies for the same.

Duties and Powers of the Supervisory Board

Article 20 - The Supervisory Board shall be liable and authorized to: report its review results, requests and recommendations regarding the books and documents of budgets, accounts and transactions of the Association to the Executive Board; audit the Association; and report its findings on the Executive Board's work schedule, annual budget regulation and income & expenditure statements to the General Assembly.

Nomination to Association Bodies

Article 21 - The members seeking for nomination to the Association's bodies may achieve that individually or collectively. Based on the selected body's number of members, the voting members and substitute members shall be determined in the respective order of the majority vote or the list. Honorary members may not be appointed to the bodies.

SECTION IV. BRANCHES, REPRESENTATIVE OFFICES AND COMMITTEES

Establishment and Powers of Branches

Article 22 - The Association may establish branches in Türkiye or abroad. To that end, at least three members authorized by the Executive Board may apply in writing to the major local authority of the potential location of the new branch.

Branches shall construe internal organizations of the Association. They shall be devoid of any legal entity, be liable and authorized to conduct individual operations for the Association's purposes and services and be accountable for all the receivables and payables arising from the transactions.

Bodies of and Provisions for Branches

Article 23 - The branches' bodies are as follows:

- a. General Assembly
- b. Executive Board
- c. Supervisory Board

The General Assembly of the Branch shall comprise of the registered members of the branch who have paid their dues and any interest thereof, including those of the year of meeting.

The Branch Executive Board shall consist of five voting members and five substitute members who shall be appointed by the General Assembly by secret ballot. The Branch Executive Board's term of office shall be three years.

The Branch Supervisory Board shall consist of three voting members and three substitute members who shall be appointed by the General Assembly by secret ballot. The Branch Supervisory Board's term of office shall be three years. The Supervisory Board shall select a chair during its first meeting.

The bodies of a branch shall exploit all the duties and powers, except for the special powers granted to the central bodies of the Association, in their provinces, districts and the relevant foreign country. Other provisions of the Association shall be applicable for the branch as per the legislation.

Representation of Branches at the General Assembly

Article 24 - Branches shall be obliged to complete their ordinary general meetings at least two months before the general meeting of the headquarters.

The ordinary general meetings of branches shall be held in January once in three years on the date, in the place and at the time to be specified by the Branch General Assembly.

Branches shall be obliged to report a sample of the general assembly result notice to the local authority and the headquarters of the Association within thirty days following the date of meeting.

Branches shall have the right to attend the general headquarters meeting with the direct participation of all members if their number is up to three, otherwise, they shall attend: through delegates to be appointed (1 delegate for twenty -20- members registered at the branch, and if the number of the remaining members is more than 10, one delegate for those members) at the general meeting of the branch.

The delegates appointed at the last general meeting of the branch shall attend the general meeting of the headquarters. Headquarters' Executive Board and Supervisory Board members shall attend the general headquarters meeting but may not vote unless they are appointed as delegates on behalf of the branch.

Officers of the Executive Board and the Supervisory Board of branches shall resign from their positions in the branch if appointed to the Executive Board and the Supervisory Board of the headquarters.

Establishment of Representative Offices

Article 25 - The Association may establish representative offices upon the decision of the Executive Board to perform its activities in relevant provinces, districts and foreign countries. The address of the office shall be notified in writing to the local authority of the relevant place by the person(s) authorized as representative(s) as per the decision of the Executive Board. The office shall not be represented at the general meeting of the Association. Branches may not establish representative offices.

Establishment of Committees

Article 26 - The Executive Board may establish committees consisting of members and experts to be engaged with activities aligned with the purposes of the Association. Committees may be established for guidance on purpose and service strategies and the relevant activities. These committees shall be arbitrary and excluded from the bodies of the Association.

SECTION V. FINANCIAL MATTERS

Bookkeeping Principles

Article 27 - The Association shall keep books as per the operation account method. However, if the annual gross income exceeds the limit specified in article 31 in the Regulation on Associations, the books shall be kept as per the balance sheet basis as of the next accounting period. If, after using the balance sheet basis two years in a row, the amount falls below the aforementioned limit, the operation account method may be employed again as of the next year.

Regardless of that limit, the Executive Board may decide to keep the books as per the balance sheet basis.

If the Association establishes a commercial enterprise, the books of that enterprise shall be kept in accordance with the provisions of Tax Procedure Law no. 213.

The accounting period of the Association shall be one calendar year. The initial accounting period shall begin on the foundation date of the Association and end on 31 December.

Recordkeeping

The books and records of the Association shall be kept in accordance with the procedure and principle specified in the Regulation on Associations.

Books to Be Kept

Article 28 - The Executive Board shall have the officers keep the following books.

- a) The books to be kept and the principles to be followed as per the operation account method are as follows:
 - 1) Minutes Book: Decisions of the Executive Board shall be recorded in this book which shall display the signatures of the participant members below the decisions.
 - 2) Member Records Book: The identities and the admission and resignation dates of members shall be recorded in this book. The members' admission fees and annual fees may be also registered herein.
 - 3) Document Registration Book: Incoming and outgoing documents shall be recorded in this book based on their dates and sequence numbers. The originals of the incoming documents and the copies of outgoing documents shall be filed. The incoming and outgoing documents delivered via e-mail shall be kept in printed form.
 - 4) Book of Inventories: This book shall include the Association's dates and ways of inventory acquisition, the places of acquisition and delivery, and the inventories to be removed therefrom (i.e. due to termination of use life).
 - 5) Operating Account Book: The income and expenditure of the Association shall be explicitly and regularly registered in this book.
 - 6) Certificate of Receipt Registration Book: This book shall contain the serial and sequence numbers of the certificates of receipt, the names, surnames and signatures of the persons receiving and returning those documents and the dates of receipt and return.
- b) The books to be kept and the principles to be followed as per the balance sheet basis are as follows:
 - 1) The books specified in sub-clauses 1, 2, 3, and 6 in clause (a) above are also kept by associations keeping books as per the balance sheet basis.
 - 2) General Journal, Ledger and Book of Inventories: These books shall be kept and registered as per the Tax Procedure Law and the Accounting System Application Communiques published by the Ministry of Finance pursuant to this law.

Approval of Books

The books to be kept by the Association shall be first approved by the Provincial Directorate of Associations or the notary. The approved books shall be used until full; no more approval shall be required in-between.

Income Statement and Balance Sheet Adjustment

Article 29 - If the books are kept as per the operation account method, the Association shall create an Operating Account Statement at year-ends (on 31 December).

If the books are kept by the balance sheet basis, the Association shall create an income statement and balance sheet statement as per the Accounting System Application Communiques, published by the Ministry of Finance, at year-ends (on 31 December).

Association's Revenue Sources

Article 30 - Pursuant to the Law on Associations, the revenues of the Association shall comprise of:

- a. The one-time admission fee requested from each member for their membership;
- b. The annual membership fee requested from each member;
- c. Income generated through the publications of the Association (e.g. journals, bulletins), the advertisements in these publications, the services of consulting, survey or analysis, and expertise, and organized events (e.g. balls, entertainments, business dinners, trips, plays, concerts, sports competitions, seminars, lectures, etc.) along with the participation fees for such events;
- d. Income from the Association's properties, including leases and operational rights of the movable and immovable properties of the Association, and securities;
- e. Funds to be raised from all kinds of activities, pursuant to the Constitution & Bylaws, for achieving the purpose of the Association;
- f. Conditional and unconditional donations, wills and funds provided to the Association by real persons and legal entities;
- g. Donations and funds to be collected in accordance with the legislation on fund collection;
- h. Profits gained through the operations of the commercial enterprises and partnerships established by the Association to generate income for its purposes;
- i. Interests and other income.

The General Assembly of the Association shall be authorized to determine the amounts of the admission and memberships fees specified in clauses a and b above as well as to increase or decrease those amounts.

Income and Expenditure Transactions

Article 31 - The funds of the association shall be collected with the "Certificate of Receipt". If the Association's income is collected through banks, the receipts or the statements issued by the bank shall be valid in place of the certificate of receipt.

The expenditure of the Association shall be proven by expenditure statements including bills, retail receipts, and self-employment invoices. However, for the payments of the Association pursuant to article 94 of Income Tax Law no. 193, the note of expenses shall be used as an expenditure statement as per Tax Procedure Law no. 213 while documents such as expense voucher or bank receipt shall be used as the same for other payments.

The Association's free deliveries of goods and services to persons, institutions and organizations shall be made with an In-Kind Aid Delivery Note. The free deliveries of goods and services to the Association by persons, institutions and organizations shall be obtained with an In-Kind Donation Certificate of Receipt.

Certificates of Receipt

Certificates of Receipt to be used by the Association for collecting funds shall be printed by a printing house as per the decision of the Executive Board.

The Constitution and Bylaws shall govern the following: printing and controlling the certificates of receipt, obtaining them from the printing house and registering them in the books, the handover between the former and newly appointed secretaries, the use of certificates of receipt by the person(s) to collect funds on behalf of the Association and the handover of the collected funds.

Authorization Certificate

Except for the voting members of the Executive Board, the person(s) to collect funds on behalf of the Association shall be appointed upon the decision of the Executive Board, which shall also specify the authorization period. The Authorization Certificate showing the identities, signatures and photos of persons to collect funds shall be issued in two copies by the Association and approved by the President. The voting members of the Executive Board may collect funds without any authorization certificate.

The term of authorization certificates (maximum one year) shall be determined by the Executive Board. The authorization certificates whose term has reached the end shall be renewed based on the first paragraph. If the term of an authorization certificate ends, or the authorized person resigns, dies, or is discharged, or the Association decides on spontaneous termination, or the Association is abolished, the authorization certificates shall be delivered to the Executive Board in a week. The authorization to collect funds may be cancelled at any time as per the decision of the Executive Board.

The provisions in the Regulation on Associations shall govern the use, renewal, and return of the authorization certificate as well as other relevant matters.

The Preservation Period of Income and Expenditure Statements

The certificates of receipt, expenditure statements and others, perused by the Association, shall be preserved for 5 years, depending on their registration numbers and dates, without prejudice to the terms stipulated in special laws.

Borrowing

Article 32 - The Association may borrow loans upon the decision of the Executive Board for achieving the purposes and conducting operations. Borrowing may occur through purchase of goods and services on credit, and in cash. However, the borrowing amount shall never exceed the income of the Association to expose the Association to financial difficulty.

SECTION VI - ASSOCIATION'S LIABILITIES FOR STATEMENT AND NOTICE

Giving Statements

Article 33 - The Executive Board shall complete The Association Statement on the previous year operations and year-end results of income and expenditure transactions, and the President shall submit the same to the local authority in the first four months of each year.

Final Declaration of the General Assembly

Article 34 - The Final Declaration of the General Assembly shall contain information on the voting members and substitute members appointed to the Board, the Supervisory Board, and other bodies, and it shall be submitted to the local authority within thirty days following ordinary or extraordinary general meetings. If an amendment is made to the Constitution and Bylaws during the General Meeting, the General Meeting minutes, the former and current articles of the amendments, and the final form of the Constitution, as signed by the simple majority of the Executive Board members, shall be submitted to the local authority as attached to a letter within the term specified in this paragraph.

Immovable Property Statement

Article 35 - The Association shall notify the local authority about its immovable property by filling out an Immovable Property Statement in thirty days following their registration at the registry office.

Foreign Funds Statement

Article 36 - The Association may receive in-kind or cash funds from foreign persons, institutions and organizations provided that those funds are notified to the local authority beforehand. Cash funds shall be obtained through banks and notified before utilization. The Association shall notify the local authority by filling out the Foreign Funds Statement.

Notification of Changes

Article 37 - Any change in the registered location of the Association shall be notified by filling out the Change of Location Notification, and changes in the Association bodies, apart from those made at general meetings, shall be notified by filling out the Change in Association Bodies Notification to the local authority in thirty days following the change. Amendments to the Constitution and Bylaws shall be notified to the local authority as attached to the final declaration of the General Assembly within thirty days following the meeting for the amendment.

SECTION VI - OTHER PROVISIONS

Amendment to Constitution and Bylaws

Article 38 - The Constitution and Bylaws may be amended as per the decision of the General Assembly.

For amending the Constitution and Bylaws at the General Assembly, two thirds of the members eligible to attend general meetings shall be present at the meeting. The amendment proposition specifying the current (former) and the recommended (new) forms of the article requested to be amended, and the call to the general meeting shall be sent to the eligible members by means provisioned for the meeting notice; otherwise, the General Assembly shall not discuss any items of amendment to the Constitution and Bylaws. If the meeting is postponed in the absence of quorum, the presence of the majority shall not be required in the second meeting. However, the number of participants may not be less than two times of the number of all the members of the executive board and the supervisory board. The majority required for amendment to the Constitution and Bylaws shall be 2/3 of the votes of the participant members eligible to vote. During general meetings, the votes for any amendment to the Constitution and Bylaws shall be taken openly.

Dissolution of the Association

Article 39 - General Assembly may decide on the dissolution of the association at any time.

For discussing the dissolution at a general meeting, two thirds of the members eligible to attend general meetings shall be present. If the meeting is postponed in the absence of quorum, the presence of the majority shall not be required in the second meeting. However, the number of participants may not be less than two times of the number of all the members of the executive board and the supervisory board. The majority required for the dissolution of the Association at the General Assembly shall be 2/3 of the votes of the participant members eligible to vote. During general meetings, votes for the dissolution shall be taken openly.

Liquidation of Association's Property

Article 40 - When the General Assembly decides on dissolution, the finances, assets and rights of the Association shall be liquidated by the liquidation committee comprising of the last Executive Board members. These procedures shall begin as of the date of the General Assembly's dissolution decision or

of the decisive spontaneous termination. During the liquidation process, the name of the Association shall be used as the “Business World and Law Association to be Liquidated”.

The liquidation committee shall be liable and authorized to complete the liquidation process for the finances, assets and rights of the Association pursuant to the effective legislation. The liquidation committee shall first review the Association’s accounts. During the review, the Association’s books, certificates of receipt, expenditure statements, title deeds, bank records and other documents shall be identified, and its assets and liabilities shall be recognized in minutes. At the time of liquidation, the creditors of the Association shall be called, and their assets, if any, shall be reimbursed in cash. If the Association is a creditor, its receivables shall be collected. All the finances, assets and rights remaining after the collection of receivables and payment of all the debts shall be handed over to the person/place determined by the General Assembly. If the General Assembly does not make such a determination, the same shall be handed over to the association with a field of activity most akin to that of the Association and with the highest number of members at the time of the liquidation in the province of the Association.

All the liquidation procedures shall be documented in the liquidation minutes and completed within three months, except for additional valid timeframes offered by local authorities.

Following the completion of the liquidation and transfer procedures for the finances, assets and rights of the Association, the liquidation committee shall notify the local authority in the headquarters location about the process within seven days with a letter containing liquidation minutes.

The books and documents of the Association shall be kept by the last Board members as the liquidation committee. This duty may also be assigned to an Executive Board member. The preservation period of these books and documents shall be five years.

Absence of Provision

Article 41 - In matters for which the Constitution and Bylaws prescribes no provision, the Turkish Civil Law, the Law on Associations, and the Regulation on Associations issued as per those laws, and other legislation on associations shall govern.

First General Meeting and Selection of Bodies

Provisional Article 1 - If no discrepancy or deficiency is found in the Association’s establishment documents pursuant to the Law on Associations, or the same is eliminated within the time specified, the first general meeting shall be held with the current members within six months following the written notification of the state of affairs to the Association.

In that meeting, the admission fee and the annual membership fee shall be determined, and the bodies of the Association shall be appointed.

**NEDİM KORHAN
ŞENGÜN**

GÜL YANIK

GAZALİ DEMİR

YEŞİM YETİK

GÜLCE EKİNCİ

MEHMET BABÜR ALÇI

BURAK BATUHAN BİRTANE