

The "Turkish Cypriot Chamber of Commerce Law ", which was accepted by the Assembly of the Turkish Federated State of Cyprus during its session on 12 May 1981, is hereby promulgated by the President of the Turkish Federated State of Cyprus, by publication on the Official Gazette in accordance with the Article 74 of the Constitution.

No: 21/1981

THE TURKISH CYPRIOT CHAMBER OF COMMERCE LAW

(As amended by Laws 43/1984 and 38/1992)

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The Assembly of the Turkish Federated State of Cyprus enacts as follows:

- Short name
1. This Law shall be cited as the "Turkish Cypriot Chamber of Commerce Law".
 2. In this Law, unless the text requires otherwise;
"President" means the elected President in accordance with the Article 11 of this Law and Main Regulation and Regulation of the Turkish Cypriot Chamber of Commerce,
"District" means the districts of Nicosia, Famagusta and Kyrenia,
"Turkish Cypriot Chamber of Commerce" means the Turkish Cypriot Chamber of Commerce registered as a legal entity pursuant to the legislation in force and in particular the Companies Law,
"Chamber Assembly" means the Assembly elected in accordance with Article 11,
"Chamber" means the Turkish Cypriot Chamber of Commerce,
"Place of business" means those specified in Article 4 of this Law and the natural person and legal entities and their owners operating in accordance with the laws of the Turkish Republic of Northern Cyprus, the term "Merchant" is interpreted accordingly.
"Regulation" covers the Main Regulation and the Regulation of the Chamber.
- The duties and powers of the Chamber
3. (1) The duties and powers of the Chamber are:
 - (a) To protect professional ethics and solidarity, to try to develop commerce in accordance with general interests;
 - (b) To work for the development of the commercial, industrial, tourism and agricultural activities of the Turkish Cypriot Community, to protect and to provide encouragement, support and ideas to businessmen;

- (c) To compile information and news about economic activities and to convey them to the relevant persons, to provide the information requested by the official authorities, and to furnish any kind of information that members may need in the performance of their profession upon their application or to facilitate their acquisition;
- (d) To undertake any kind of analysis related to economic activities, to prepare indexes and statistics regarding these activities;
- (e) To issue certificates of origin for Turkish Cypriot export products;
- (f) To make proposals and petitions to the Ministries and other official authorities on matters related to professional activities;
- (g) To determine commercial customs, traditions and conventions;
- (h) To make professional decisions that must be complied with by the traders;
- (i) To establish relations with international economic organizations, Chambers of Commerce and similar organizations, institutes or private individuals and companies, to exchange information, to give advice or references about merchants, producers, manufacturers and other businessmen and / or enterprises;
- (j) To establish contacts with the business circles of its members in foreign countries, to ensure its development and to have representatives and open branches in foreign countries for the purposes stipulated in this Law.
- (i) Help to identify and develop legal and other policies affecting commercial, industrial, tourism and agricultural issues;
- (j) To act as an arbitration institution in disputes arising from commercial, industrial tourism and agricultural dealings,
- (k) Organizing and supporting exhibitions and fairs in commercial, industrial, tourism and agricultural fields;

- (l) To prepare documents related to trade, industry, tourism and agriculture;
- (m) To print and publish newspapers, magazines, books and brochures that it deems appropriate in order to improve its aims;
- (n) To protect the rights of its members before official committees and similar organizations;
- (o) Buying, selling, changing, renting and disposing of movable and immovable property in accordance with the Law in order to improve its objectives and to provide better service to its members and the society's economy;
- (p) Accepting gifts or donations in order to serve the purposes of the Chamber;
- (q) Borrowing money and creating resources for the purposes of the Chamber, on conditions deemed appropriate;
- (r) Using the existing resources of the Chamber in investments in accordance with the interests of the Chamber;
- (s) To operate in economic and commercial matters that will not contradict the above objectives;
- (t) Performing lotteries, entertainment, exhibitions and similar activities to generate income;
- (u) To make suggestions and recommendations to the State and the Government of the Turkish Republic of Northern Cyprus on the above issues and generally on commercial and economic matters when needed.

- (2) The Chamber has the powers conferred on it by its charter, and regulation and this Law.
 - (3) The Chamber has the authority to become a member of the International Chamber of Commerce or similar organizations.
- Membership 4. The following natural and legal persons must be members of the Chamber:
- (1) All businesses that deal with the retail sale of foodstuffs, other than a workplace defined as "Grocery", those dealing with the import and export of commercial goods although they do not have a place of business, those who are commission agents;
 - (2) Outlets opened by the industrialists to sell their manufactured goods;
 - (3) State Economic Enterprises covered by the paragraph (1) of this Article;
 - (4) Banks other than cooperatives, but cooperative banks that deal with the export and import of commodities and trade transactions must also be members of the Chamber;
 - (5) Insurance establishments;
 - (6) Tourism and travel agencies.
- Obligation to possess a membership certificate. 5. All members of the Chamber shall post their membership documents issued by the Chamber in an easily visible place at their workplace.
- Membership qualifications 6. Without prejudice to the provisions of the Chamber's Main Regulation and Regulation, two types of members can be registered to the Chamber, characterized as "principal member" and "external member".
- (1) Principal Member: All natural and legal persons falling within the scope of Article 4, whom undertake to abide by the rules of this Law, may apply for membership to the Board of Directors. Application at no later than ten days; shall be brought to the Board of Directors by the President, and in no later than twenty days, should be decided by the Board of Directors with absolute majority

and the applicant gets notified. The applicant, whose membership is approved, finalizes his membership by paying the first registration fee and the annual fee.

- (2) External Member: A person, company or firm operating outside the State of the Turkish Republic of Northern Cyprus may be accepted as an external member at the General Assembly of the Chamber. These members earn the rights that all members of the Chamber have, but they cannot be elected, vote or participate in meetings.

Who may not qualify for membership

7. Those who may not qualify for membership are:

- (1) Those not covered by Article 4 of this Law,
- (2) Those convicted of lying, theft or sentenced to more than six months' imprisonment,
- (3) Those who are not in a fit mental state,
- (4) Those declared bankrupt by a court,
- (5) Those under the age of 18.

Termination of the membership

8. (1) Those who lose any of the qualifications specified in Article 4 of this Law will be removed from membership.
- (2) Those who do not pay the membership fee for two consecutive years will automatically lose their membership.
- (3) The registration of those who inform the President in writing that they want to leave the membership of their own will shall be terminated.

Chamber executive committees

9. The executive committees of the Chamber are:

- (1) General Assembly,
- (2) Chamber Assembly,

- (3) Board of Directors.
- General Assembly 10. (1) The General Assembly is formed by the convening of principal members registered in the Chamber and who fulfill the obligations stipulated by this Law.
- (2) The Chamber holds a General Assembly every calendar year and the Board of Directors determines the time and place of the General Assembly. However, the date of each General Assembly cannot be left to any later than 15 months of the previous one. Annual report, financial report and other agenda items are discussed and resolved at the General Assembly meetings. The election of the Chamber executive committees should be held every two years.
- (3) All general assemblies except the Ordinary General Assembly are defined as an Extraordinary General Assembly.
- (4) Extraordinary General Assembly:
- (a) At the request of the Board of Directors,
- (b) Upon the request of the members and the approval of the Board of Directors,
- (c) In the event that the Board of Directors does not call an extraordinary General Assembly in accordance with the provision in subparagraph (b) of the paragraph (4), the Extraordinary General Assembly is held with the written request of twenty principal members stating the purpose of the meeting.
- (5) The Ordinary and the Extraordinary General Assembly calls shall be announced at least ten days before the date of the General Assembly in at least two local daily newspapers. The place, time and agenda of the meeting are specified in the call. In the newspapers, the meeting date, place and time are notified to the members in at least 21 days' notice before the meeting date, and at least fourteen days before an Extraordinary General Assembly. If the General Assembly invitation letter is forgotten for any unintentional reason or does not arrive at its place, the right to apply for the decisions taken in the General Assembly to be deemed invalid shall be granted.

- (6) In the General Assembly meetings, all matters other than the income and expense accounts, the balance sheet, the Board of Directors and the auditor's report, the election of the members of the Chamber Assembly and the appointment of the Auditor and the determination of the remuneration are treated as special items.
- (7) The quorum is gained when one more than half of the members of the Chamber attend both normal and extraordinary General Assembly meetings.
- (8) If the majority determined in the paragraph (7) above is not reached, the meeting is postponed by thirty minutes. After the thirty minutes expires, the number of existing members is accepted as the quorum and a meeting is held.
- (9) After the General Assembly meeting is commenced by the President of the Board, a chairman, a vice chairman and two secretaries are elected to lead the General Assembly.
- (10) Each principal member has one vote in the General Assembly. In order to exercise that right to vote, the membership fee and other debts must be paid and the rules of this Law regarding full membership must be fulfilled.

2,38/1992

- (11) (A) Each principal member in the General Assembly, may appoint a representative to represent him. This representative does not have to be a permanent member. Each representative and/or each principal member may not represent more than one member. The relevant principal member prepares and signs the written authorization letter as shown in the Sheet I annexed to this Law, indicating the identity of his representative, signs and if any exists, stamps with its seal. The authorization letter must be submitted to the General Secretariat of the Chamber forty-eight hours before the date of the General Assembly meeting.

Sheet I

(B) If the principal members registered in the Chamber are organized under a group and are managed from a single center, the companies, firms and similar organizations that make up this group and are also principal members of the Chamber are represented by one or by the maximum number of entities of such a group in the General Assembly. These representatives are given a certificate of authorization prepared as shown in Sheet II attached to this Law by the most competent authority of the group. These representatives vote as much as the number of members they represent. A copy of the certificate of authorization given to these representatives must be submitted to the Secretary General of the Chamber forty-eight hours before the date of the General Assembly meeting.

(12) In the General Assembly, the decision quorum is one more than half of the members attending the meeting.

(13) The minutes of the General Assembly, the proposals given in the General Assembly and the ballots used in the election are closed and sealed and delivered to the President of the Board of Directors to be kept until the next General Assembly meeting where the next election will be held by the Presidency of the General Assembly.

Election formation, duties and powers of the Chamber Assembly

11. (I) The Chamber Assembly consists of members to be elected at the General Assembly on the basis of one representative per fifty members registered in Nicosia Central and the districts. However, in any case, the number of members of the Chamber Assembly shall not exceed 50. In the General Assembly, members of each district vote only for the election of the Chamber Assembly member of their region. Chamber Assembly members are elected every two years. These elections are held separately under the supervision and management of the General Assembly Presidency.

- (2) The duties and powers of the Chamber Assembly are:
- (a) To elect the President of the Chamber and the members of the Board of Directors;
 - (b) To examine and decide on the proposals made by the Board of Directors;
 - (c) To make mandatory professional decisions;
 - (d) To examine and decide on the reports to be given by the Board of Directors;
 - (e) To approve the annual budget and final accounts;
 - (f) To review and approve directives;
 - (g) To establish specialist commissions as they pertain to professions and issues;
 - (h) To decide to forgive and write off those members' debts that are understood to be impossible to recover despite various follow-ups for 5 years from the date of accrual;
 - (i) To approve the registration fees and annual dues to be prepared by the Board of Directors;
 - (j) In general, to assist the Board of Directors in the realization all stated purposes and activities of the Chambers;
 - (k) To confirm various decisions taken by the Board of Directors.
- (3) If more than half of the total number of members of the Chamber Assembly adopts and resolves a motion of no confidence against the decision and actions of the Board of Directors, the Board of Directors is deemed to have resigned and the Chamber Assembly elects a new Board of Directors.
- (4) It is obligatory that the Chamber Assembly is convened by the President within 14 days at the latest upon the written request of at least two-thirds of the members of the Chamber Assembly.

(5) Ordinary meetings of the Chamber Assembly are held at least once a month and upon the call of the President in the district to be determined by the Chamber Assembly; the Chamber Assembly convenes with the majority of the total number of members and decisions are made with the majority of the attendants. In case of equality of votes, the side with the President is deemed to have achieved the majority. If the President is not attendance even though the quorum is met, one of the Deputy Presidents of the Chamber Assembly who has served the longest time has the priority, and if there is no Deputy President, the members continue their work by electing a Chairman for this meeting. Those who do not attend four consecutive meetings without a prior written and accepted excuse or who do not attend more than half of the meetings held in six months, with or without excuse, are deemed to have withdrawn from the Chamber Assembly. In the event that one more than half of the members of the Chamber Assembly resigns, the ordinary General Assembly meeting is called.

(6) In the first meeting of the Chamber Assembly, it elects a President and two Deputy Presidents among its members for a period of two years. Each of the President and Deputy Presidents are elected from different districts. The President of the Chamber Assembly and the two Deputy Presidents are also the President of the Board of Directors and the Deputy Presidents. In case of any resignation or dismissal of the President, a new President is elected by the Chamber Assembly.

Authority,
duty and
meeting
method of
the Board of
Directors

12. (1) The Board of Directors as stated in Article 11, Paragraph (6) consists of nine people, including the President and two Deputy Presidents, who are from the Chamber Assembly members that will be elected from among themselves and according to the representation ratio of their districts in the Chamber Assembly. In the first meeting of the Board of Directors, they elect a treasurer from among themselves. In the absence of the President, the Board of Directors meetings are chaired by one of the deputy presidents, priority being the longest serving in the Chamber Assembly. Members of the Board of Directors remain in office for

two years.

- (2) The Board of Directors has the following duties and powers without prejudice to the main duties assigned by this Law and other relevant laws and regulations.
 - (a) To provide opinions on matters requested by official authorities;
 - (b) To appoint the general secretary and staff of the Chamber;
 - (c) To become a member of domestic and foreign economic organizations;
 - (d) To prepare proposals and related reports for the budget, final account and transfer between compartments;
 - (f) To prepare annual reports on per yearly operations and economic status of the Chamber;
 - (g) To participate in domestic and international exhibitions and fairs, to become a member of economic organizations and to make proposals to the Chamber Assembly in order to send delegates to congresses;
 - (h) To decide on the collection of the Chamber's receivables;
 - (i) To establish commissions according to professions and issues;
 - (j) To determine the registration fee, dues and other fee scales and submit them to the Chamber Assembly for approval;
 - (k) To transfer between compartments in the budget;
 - (l) To apply for the approval of the Chamber Assembly on a matter as to be deemed important or appropriate.
- (3) The Board of Directors may resign from their task by a majority vote and allow for the formation of a new Board of Directors.
- (4) When deemed necessary, the Board of Directors may transfer some of its powers to the Secretary General subject to the conditions it wishes.

- (5) For Chamber affairs, the Secretary General is authorized to spend up to the amount to be approved and decided in advance by the Board of Directors, and for any expenses above this, the signatures of the President, Deputy Presidents and any two of the accountant members are required.
- (6) The Board of Directors convenes at least once a week and earlier, when necessary, upon the call of the President.
- (7) Calls to meetings are made in writing. The meeting place and agenda are specified in the call. In case of an emergency, the President may call a meeting verbally.
- (8) The Board of Directors convenes with the majority of the total number of members and makes decisions with the majority of the attendants. In case of equality of votes, the group with the President will have the majority. If the meeting quorum is reached, but the President and Vice-Presidents are not present, the members continue their meetings by choosing a Chairman among them for this meeting.
- 2,43/1984 (9) Those who do not attend four consecutive meetings without a prior written statement or a written or verbally offered excuse, or who do not attend more than half of the meetings held in six months, with or without an excuse, are considered to have withdrawn from the Board of Directors. The Board member who has been deemed to have withdrawn shall be notified of the situation in writing by the President of the Board of Directors and a member shall be elected by the Chamber Assembly from among them and shall be appointed. In case of the resignation of the members of the Chamber Assembly, an extraordinary General Assembly is held and a re-election is held.
- Audit 13. The accounts of the Chamber are audited at least once a year by the auditor authorized by the General Assembly. Financial Reports audited by the auditor are signed by those authorized for expenditure according to paragraph (4) of Article 12.
- Revenues 14. The revenues of the Turkish Cypriot Chamber of Commerce, to be determined by the Board of Directors and approved by the Chamber Assembly, are as follows:
- (1) Registration fee,
- (2) Annual dues,

- (3) Fees for services provided,
 - (4) Certificate fees,
 - (5) Publication revenues,
 - (6) Donations and gifts,
 - (7) Other income.
- Disciplinary penalties 15. (1) The Chamber of Commerce may impose the following disciplinary penalties on its members who do not comply with the decisions of its own bodies, act against the interests of the country in commercial activities, commit crimes or act against the honor and dignity of the Chamber:
- (a) Warning: The warning penalty is issued by the Board of Directors. This penalty can be appealed to the Chamber Assembly within fifteen days. If the Chamber Assembly insists on this decision, the person concerned can apply to a competent court.
 - (b) Dismissal from membership: This penalty is imposed by the Chamber Assembly upon the proposal of the Board of Directors. While the penalty is being deliberated, the offence is first reported to the person concerned and is asked to defend himself in writing within fifteen days. If necessary, he and any witnesses are heard. The final decision is notified in writing to the person concerned. If found guilty, he can appeal to the Chamber Assembly within fifteen days. If the Chamber Assembly insists on its decision, the person concerned can apply to a competent court. The dismissal penalty is exclusive to the period it is given, the recipient is not allowed to benefit from the services of the Chamber of Commerce during this period.
- Annual Dues 16. Those who do not pay their annual fee until December 31st of that year are collected with a hundred percent increase.
- Provisional Article (1) Re-registration is not required from those who became a member of the Chamber before this Law came into effect. However, these members are obliged to fulfill the provisions of this Law within three months at the latest after the Law enters into force.

- Compliance between the Law and Regulations 17. The provisions necessary for the amendments brought by this Law shall be made and approved in the Chamber Regulation by the decision to be taken at an extraordinary meeting or General Assembly meeting within three months at the latest from the date of entry into force of this Law.
- Power to Make Regulations 18. The Chamber has the authority to make regulations in order to ensure better implementation of this Law. These regulations come into force by being submitted to the approval of the Council of Ministers and published in the Official Gazette.
- Entry into Force 19. This Law enters into force as of the date it is published in the Official Gazette.

Sheet One
(Article 10 (11))

TURKISH CYPRIOT
CHAMBER OF
COMMERCE

(Authorisation Document) GENERAL ASSEMBLY

I the undersigned, Nicosia/Famagusta/Kyrenia * registered Mr/Mrs *nominate as my representative, Mr/Mrs* to represent me at the General Assembly meeting of the Turkish Cypriot Chamber of Commerce to be held on the date at the time*

Signature

Date

For official purposes
Date obtained
Authorised signature

Seal

*Cross out that does not apply.

Important Notice : In accordance with this Law, this letter to appoint a representative must reach our Chamber by the day and hour.....

Sheet Two
(Article 10 (11))

TURKISH CYPRIOT CHAMBER OF COMMERCE
..... GENERAL ASSEMBLY
(Authorisation Document)

I/we the undersigned, Nicosia/Famagusta/Kyrenia registered
Mr/Mrs/Messrs* nominate as my/our representative(s)
Mr/Mrs/Messrs* to represent me/us at the General
Assembly meeting of the Turkish Cypriot Chamber of Commerce to be held on the
date..... at the time*.....

Signature

Date

For official purposes

Date obtained

Seal

Authorised signature

*Cross out that does not apply.

Important Notice : In accordance with this Law, this letter to appoint a representative
must reach our Chamber by the day and hour.....