

# REGULATION ON COLLECTING SOCIETIES IN THE FIELD OF COPYRIGHT

Presidential Decree Date: 6/4/2022  
Official Gazette of: 7/4/2022

Number: 5405 Published in  
Number: 31802

## CHAPTER ONE Preliminary Provisions

### Purpose and Scope

**ARTICLE 1-** (1) The foregoing Regulation governs authors, related right holders and book publishers' collecting societies and federations' establishment, supervision, and general assembly meetings, the way their compulsory and optional organs are formed, the number of members and duties of these organs, the conditions for becoming a member as well as resigning and expulsion from membership, determination of locations where they may open branches, their relations with persons and organizations within the country and abroad, their rights and authorizations in such relations, their relations with their members and the users, distribution of collected royalties and compensations as well as principles and procedures regarding other matters.

### Grounds

**ARTICLE 2** — This Regulation has been drawn up based on the amended Article 42 of the Law on Intellectual and Artistic Works No. 5846 of 5/12/1951.

### Definitions

**ARTICLE 3-** (1) For the purposes of the foregoing Regulation, the following terms shall refer to the definitions hereby assigned to them:

- a) Field: The classification based on the types of rightholdership laid down in the Law, which underpin the foundation and activities of collecting societies and federations,
- b) Related rights: The rights that belong to holders of neighboring rights and film producers that make the first fixation of films, provided that the moral and economic rights of the author are not prejudiced,
- c) Subjects of related rights: Performances, phonograms, productions and broadcasts,
- ç) Related rights holders: Performers, phonogram producers and radio-television organizations as well as film producers that make the first fixation of films, provided that the moral and economic rights of the author are not prejudiced,
- d) Ministry: Ministry of Culture and Tourism,
- e) Management Fee: The sum received, deducted or set off by the collecting societies from any revenues generated from royalties or investment of royalties, in order to cover for the expenses associated with the management of rights,
- f) Author: The person who has created a work,
- g) Federation: Parent organizations of collecting societies,
- ğ) Rightholder: Authors, related rights holders or economic rights holders,
- h) The Law: Law on Intellectual and Artistic Works No. 5846 of 5/12/1951,
- ı) Neighboring rights: The rights that belong to performers who interpret, introduce, recite, sing, play and perform a work in various ways and in an original form with the permission of the author, phonogram producers that make the first fixations of sounds that are the result of a performance or other sounds and radio-television organizations, provided that the moral and economic rights of the author are not prejudiced,
- i) User: A natural or legal person who engages in the uses that are subject to permission by the rightholders, and require paying royalty or compensation to the rightholders, as prescribed by the Law,
- j) Collecting Society (Society): A non-profit legal person whose sole or main purpose is to ensure the collective management of rights in line with common interests on behalf of more than one rightholders, and who is governed by private law and established in accordance with the Law and the provisions hereof,
- k) Sector: The cluster consisting of various rightholderships for the same type of works or subjects of related rights,
- l) Royalty revenue: The revenue collected, on behalf of rightholders, by the collecting societies in connection with the management and pursuit of the rights granted by the Law,
- m) Representation agreement: Any agreement signed between the collecting societies, where one collecting society assigns another collecting society as the agent for the management of the rights it represents,
- n) Collective rights management: Pursuit of copyrights through the collecting societies,

o) Member: A rightholder who has submitted a deed of assignment to the collecting society, and whose membership application has been accepted,

ö) Book publisher: Those who reproduce and distribute non-periodical publications by way of acquiring powers to exercise economic rights from authors or rightholders or by way of exercising rights on literary and scientific works in accordance with Article 10 of the Law.

p) Deed of Assignment: Document through which a rightholder authorizes the collecting society in writing for the management and pursuit of certain economic rights as well as collection and distribution of royalties, and based on which reciprocal rights and liabilities between a rightholder and a collecting society shall arise.

(2) For matters that are not defined in the foregoing Regulation, the definitions laid down in the Law and other relevant legislation shall apply.

## **CHAPTER TWO** **Collecting Societies**

### **SECTION ONE** **Establishment of Collecting Societies**

#### **Purpose and Fields of the Societies**

**ARTICLE 4-** (1) Authors, related rights holders and book publishers may establish more than one collecting societies in the fields outlined below, in an effort to protect their common interests, manage and pursue the rights granted by the Law, collect the receivable compensations and royalties, and distribute them to the rightholders:

- a) For the authors;
  - 1) Authors of scientific and literary works,
  - 2) Authors of musical works,
  - 3) Authors of works of fine arts,
  - 4) Authors of cinematographic works,
- b) For the related rights holders;
  - 1) Performers,
  - 2) Phonogram producers,
  - 3) Radio-television organizations,
  - 4) Film producers,
- c) Book publishers.

Without prejudice to the provisions on the words which may only be used upon permission as prescribed by the legislation regarding associations, the name of a collecting society shall include expressions related to the rightholders it represents and its field of activity.

#### **Establishment of a Collecting Society**

**ARTICLE 5-** (1) In order to operate as a collecting society across a field where there are no collecting societies, natural or legal persons who are eligible for membership shall submit an application to the Ministry for a permit. The number of these natural or legal persons shall be:

- a) At least 56, for the collecting societies of authors and performers, and
- b) At least 28, for the collecting societies of producers, book publishers or radio-television organizations.

(2) When applying to establish a collecting society, the following information and documents shall be submitted:

- a) ANNEX-1 COLLECTING SOCIETY STANDARD STATUS form attached to the foregoing Regulation, which shall include the collecting society's name, short name, the province/district and address where its headquarters are located, its field of activity, the number of founding members, information about the founders, information about the persons authorized to receive correspondence and notifications, and information about the temporary Chairperson and members of the Board of Directors,
- b) Bylaws of the collecting society,
- c) Information and documents confirming that the applicants are eligible for membership,
- ç) Where the founders are natural persons: first and last name, profession or branch of art, nationality, Turkish ID number,
- d) Where the founders are legal persons: Name, place of residence and articles of association as well as a copy of the relevant decision where the name of the natural person who has been authorized by the legal personality organs is also specified, the tax number and the certificate of trade registry if so registered.

(3) Without prejudice to the provisions under Article 6 hereof, once the information and documents required by the foregoing Article have been submitted to the Ministry, the applicant society shall gain a legal personality.

(4) Where it has been established that the collecting society standard status, society's bylaws and other application documents or legal statuses of the founders entail no contradiction with the applicable legislation, or the contradiction with the legislation or shortcoming identified by the Ministry has been addressed within thirty days following the notification sent to the officials authorized to receive notifications on behalf of the society, the Ministry shall grant an operating permit. In the event that the contradiction with the legislation or shortcoming has not been addressed, the Ministry shall file a lawsuit in accordance with the general provisions.

(5) Collecting societies shall be notified, in writing, about the result of their applications.

#### **Establishment of collecting societies in the same field**

**ARTICLE 6-** (1) In order for another collecting society to be established in the same field, natural or legal persons shall submit an application to the Ministry provided that the required number shall be no less than the number of founding members, and as large as one third of the number of members of the collecting society with the greatest number of members, which has already been operating in that specific field.

(2) During the application, in addition to the information and documentation listed in Article 5 hereof, the estimated income and expenditure statement for the next 3 fiscal years after the collecting society starts operating, shall be submitted.

(3) Where it has been established that the collecting society standard status, society bylaws and other application documents or legal statuses of the founders entail no contradiction with the applicable legislation, and that the administrative and economic competence as well as representation capacity of the society is deemed to be suitable for collective licensing, the Ministry shall grant an operating permit. Once the operating permit has been issued, the collecting society shall gain a legal personality.

(4) Where, at the end of a supervision, the Ministry identifies a contradiction with the applicable legislation or a shortcoming, the officials authorized to receive notifications shall be notified, in writing, about the contradiction or shortcoming, alongside a request to address them within thirty days. In the event that the contradictions or shortcomings are not addressed within the said period, the application shall be turned down.

(5) Collecting societies shall be notified, in writing, about the result of their applications.

#### **First general assembly of a society**

**ARTICLE 7 -** (1) The Temporary Board of Directors shall perform the society's operations and represent it until the organs of the society are formed. In addition, it shall determine the eligibility criteria for membership.

(2) Societies shall be obliged to hold their first general assemblies and form their organs within a maximum period of six months after the operating permit has been granted. Where a collecting society fails to comply with this obligation, it shall be considered automatically dissolved.

#### **Essential matters to be covered in a collecting society's bylaws**

**ARTICLE 8-** (1) The bylaws of a collecting society shall include the following:

- a) Name and headquarters of the society,
- b) Field of activity and the rights pursued by the collecting society,
- c) Regulations on membership membership criteria, types of membership, reasons for expulsion from membership and other matters related to membership),
- ç) Format and period for general assemblies,
- d) Duties and authorities of society organs and the number of permanent and substitute members,
- e) The management fee to be deducted from the royalty revenues, compensations and revenues generated from the investment of these revenues,
- f) The internal audit method of the society,
- g) How the properties of the society would be liquidated in the event that the society has been terminated.

#### **Duties and Authorities of Collecting Societies**

**ARTICLE 9 -** (1) The duties and authorities of collecting societies shall include the following:

- a) Carry out their activities by respecting the principles of efficiency, participation, transparency and accountability.
- b) Ensure fair management of rights.
- c) Perform the collection and distribution of all kinds of fees associated with the rights they manage in an equitable, transparent and orderly manner in accordance with the distribution plans.
- ç) Create and update a database of the works associated with the rights they manage and the

subjects of related rights, and share them with the relevant parties.

- d) Create a joint database for the collecting societies operating in the same field.
  - e) Announce the tariffs for the rights they manage and the reasons for price markups as well as the discounts and facilitated payment methods related to these tariffs, by the end of the ninth month of each year.
  - f) Take measures to protect the rights they manage, and to this end, resort to administrative, judicial and penal remedies where necessary.
  - g) Comply with the liabilities regarding personal data protection.
- (2) When performing their duties, collecting societies shall not impose any obligation on their members, which are not objectively required for the protection or effective management of their rights and interests.

## **SECTION TWO**

### **Society Membership**

#### **The right to become a member and the liabilities involved**

**ARTICLE 10-** (1) Rightholders shall be entitled to become a member of collecting societies. The membership criteria to be laid down by the collecting societies shall be objective, transparent and non-discriminatory. Collecting societies shall not be entitled to turn down membership requests within their respective fields of activity, in the absence of objective and justifiable reasons.

(2) No one shall be forced to become or remain a member of a collecting society. A rightholder may be a member of only one collecting society in the same field.

(3) Members shall have a liability to pay the entrance fee and membership fee determined by the general assembly.

(4) Legal persons may become members on the condition that they were established in accordance with Turkish law. Members who are legal persons shall be represented by their respective Board of Directors Chairs or by persons who have been assigned as representatives. When this person's term of office or representation duty comes to an end, another person shall be tasked with representing the legal person.

#### **Types of membership**

**ARTICLE 11-** (1) Collecting societies shall be entitled to determine different types of membership, depending on the duration of membership or the royalty revenue generated via the society, provided that they are equitable and balanced.

(2) Types of membership may not be subject to discrimination in the distribution of revenues and compensations or with regard to social activities and affairs of similar nature.

(3) Types of membership may vary with regard to attendance to general assembly, the right to vote, vote diversification and being elected as members of compulsory organs, provided that they are equitable and balanced.

#### **Applying for and acceptance to membership**

**ARTICLE 12-** (1) Rightholders shall apply to the collecting society of which they want to become a member. The decisions regarding the applications shall be adopted by the Board of Directors, and the applicants shall be notified, in writing, about the result within sixty days following the date of application. Decisions of rejection shall include the reason for rejection.

(2) Those who meet the qualifications and criteria laid down in the Law, in the foregoing Regulation, and in the relevant society bylaws, and who have submitted a deed of assignment shall be accepted as members. The notification regarding the decision of acceptance to membership shall include the type of membership.

(3) The Board of Directors decisions on acceptance to membership and membership types may be taken to court, or an objection may be submitted to the Board of Directors for reconsideration. The Board of Directors shall make a decision by reviewing the objection, after asking the Technical - Scientific Board to provide an opinion and recommendation.

#### **Termination of Membership and conclusion of relations**

**ARTICLE 13-** (1) Membership shall cease in the event that:

- a) The member passes away,
- b) The legal personality dissolves,
- c) The member resigns from membership,
- ç) The member is expelled from membership,
- d) The member no longer meets the eligibility criteria for membership,
- e) The deed of assignment becomes unsubstantiated.

In such cases, membership registration shall be removed from the book, by also providing an explanation upon a Board of Directors decision.

(2) Reciprocal liabilities between the society and the party, whose membership ended, shall

be determined within the scope of the validity of the deed of assignment.

#### **Resignation from membership**

**ARTICLE 14-** (1) Members may request to resign from membership to the collecting society, without having to indicate a reason. Membership shall cease upon such an application. Provisions regarding the validity of the deed of assignment are reserved.

#### **Expulsion from membership**

**ARTICLE 15-** (1) Collecting societies shall determine objective, transparent and non-discriminatory criteria for expulsion from membership.

(2) Members shall be expelled from membership upon a Discipline Committee decision. The expulsion decision shall be sent to the relevant party through return receipt requested mail, within seven days.

(3) An objection against the decision of expulsion from membership may be submitted to the Discipline Committee within a month, or it may be taken to court.

(4) Decisions of expulsion from membership adopted up to forty-five days prior to the general assembly shall take effect as of the first business day following the general assembly.

#### **Representation of members and pursuing the rights**

**ARTICLE 16-** (1) Collecting societies shall manage the rights within the framework of the authority vested in them through the deed of assignments submitted by their members, or based on the applicable legislation.

(2) Collecting societies shall have the authority to exclusively pursue the rightholders' rights referred to in their deed of assignments.

(3) The rights vested in the rightholders by the Law may not be pursued by societies, associations, companies or organizations of similar nature other than the collecting societies established in the country in accordance with the foregoing Regulation.

#### **Relations with foreign organizations**

In an effort to achieve the goals listed in their respective bylaws, collecting societies may carry out international activities or engage in international partnerships, open representation offices abroad, establish a society or parent organization abroad, or join the societies or organizations established abroad. These activities as well as the protocols and representation agreements to be concluded as a result of these partnerships shall be reported to the Ministry.

#### **Representation agreements**

**ARTICLE 18-** (1) Collecting societies may not discriminate between their own members and the rightholders they represent within the scope of the representation agreements they have concluded with regard to matters such as the management of rights, tariffs, distributions and management fee.

Collecting societies may not deduct any amount, except for the management fee, from the revenues it has generated in connection with the rights they manage within the scope of a representation agreement, without explicit consent from the represented collecting society.

(2) Organizations with which the collecting societies have signed a representation agreement shall be briefed on the following matters, at least once a year:

a) The revenue accrued and amount collected as well as the revenue accrued but not yet collected, for each category of entitlement and type of use, regarding the rights managed by the collecting society within the framework of a representation agreement.

b) The deducted sum as management fee.

c) Sums deducted other than management fee.

ç) Information on the contracts signed or turned down within the scope of the representation agreement.

d) General Assembly decisions regarding the management of rights.

### **SECTION THREE Society Organs and Branches**

#### **Society organs**

**ARTICLE 19-** (1) Compulsory organs of societies shall consist of the following:

a) General Assembly.

b) Board of Directors.

c) Board of Audit.

ç) Technical-Scientific Board.

d) Discipline Committee.

(2) In addition to the compulsory organs, collecting societies may also form voluntary organs, provided that the duties of these organs and the procedure for electing their members are specified in the bylaws. However, the duties, powers and responsibilities of compulsory organs may not be

delegated to voluntary organs.

### **General Assembly**

**ARTICLE 20-** (1) The General Assembly is a society's decision-making organ with the greatest level of authority. The General Assembly consists of members who have the right to vote.

### **Duties and authorities of the general assembly**

**ARTICLE 21 -** (1) The duties and authorities of the general assembly shall include the following:

a) Designate the permanent and substitute members of the Board of Directors, the Board of Audit, the Technical-Scientific Board and the Discipline Committee, who would perform the relevant duties until the next ordinary general assembly, by following the procedure to be determined by the general assembly.

b) Establish a federation, adopt a decision to join a federation, and elect the representatives who would attend the federation's general assembly.

c) Deliberate and finalize the draft budget.

ç) Review and decide on the reports presented by the boards.

d) Perform the review and acquittal of the Board of Directors accounts.

e) Review and resolve amendments to the society's bylaws.

f) Determine the investment policy for the royalty revenues and compensations as well as the revenues generated from the investments made using these revenues.

g) Determine a reasonable rate at which sums would be deducted as the management fee and for cultural and social purposes, from the royalty revenues and compensations as well as the revenues generated from the investments made using these revenues.

ğ) Resolve the distribution directive and other proposed directives.

h) Determine the entrance fee and membership fee.

i) Determine the fee to be paid to the chairpersons and members of the society's compulsory organs.

i) Deliberate and resolve the issues which according to the Board of Directors should be discussed by the general assembly.

j) Decide to open branches.

k) Ratify the decision for the establishment of company and for becoming a partner of an existing company, that is aligned with the society's goal and field of activity

l) Endorse the purchase and sale of real estates and the establishment of limited property rights over these.

m) Decide on the risk management policy.

n) Endorse the society's taking or giving a loan or giving security for the loans it has taken.

o) Perform any other duties vested in it by the applicable legislation and the society's bylaws.

(2) For the matters referred to in sub-paragraphs (k), (l), (m) and (n) under the first paragraph hereof, the general assembly may authorize the Board of Audit.

### **Convention of the General Assembly**

**ARTICLE 22-** (1) The general assembly shall convene upon the invitation by the Board of Directors, at the time specified in the bylaws. It is mandatory that ordinary general assemblies take place once every two years at the latest.

(2) The members shall be invited by the Board of Directors, to hold an extraordinary general assembly where deemed necessary by the Board of Directors or the Board of Audit, or when requested, in writing, by at least one fifth of the members who have the authority to vote at the general assembly.

(3) In the event that the Board of Directors does not invite the members to hold an extraordinary general assembly within thirty days after it receives the official letter of request submitted by the Board of Audit or one fifth of the members who have the authority to vote at the general assembly, the Ministry shall, upon the application by the Board of Audit or the members who requested the meeting, assign as many members who have the authority to vote at the general assembly as the number of the Board of Directors members to invite the general assembly to hold an extraordinary meeting.

### **The procedure for inviting members to the general assembly**

**ARTICLE 23-** (1) The Board of Directors shall draw up a list of the members who are entitled to attend the general assembly, in accordance with the society's bylaws. The members who are entitled to attend the general assembly shall be invited to the meeting, via a written invitation or a message to be sent at least fifteen days in advance, to the electronic mail address or contact number shared by the member, which include the date, time, venue and agenda of the meeting as well as a list of the members who are entitled to attend the meeting. In the event of a failure to hold the general assembly due to a lack of majority following this invitation, the date, hour and venue of

a second meeting shall be specified. The period between the first meeting and the second meeting cannot be less than seven days and more than sixty days.

(2) The venue, date, time and agenda of the general assembly shall be reported to the Ministry in an official letter, at least fifteen days before the date of the meeting. A list of the members to be attending the meeting shall be annexed to the said official letter.

#### **Quorum for the General Assembly**

**ARTICLE 24-** (1) The quorum for the general assembly shall be fifty percent plus one of the number of members entitled to attend the meeting. Where the quorum is not achieved at the first meeting, the requirement of majority shall not be apply for the second meeting. However, the second meeting may be held only if the number of attendees is no less than twice the aggregate number of permanent members of the Board of Directors, the Board of Audit, the Technical - Scientific Board and the Discipline Committee.

(2) Members of the general assembly shall be entitled to cast their votes upon a notarized power of attorney issued in the name of another member. Each member may act as the proxy of only one member. Members of the Board of Directors and the Board of Audit shall not be represented at the general assembly through a power of attorney. Members of the Board of Directors and the Board of Audit shall not act as a proxy representing another member.

(3) General Assembly decisions shall be adopted with a simple majority of votes by the attendees. However, the decisions to amend the bylaws or terminate the society may only be adopted with a majority of with two thirds of the votes by the attendees.

#### **The procedure for the convention of the general assembly**

**ARTICLE 25-** (1) The list of members entitled to attend the general assembly shall be made available at the meeting venue. The identity documents of the members -issued by the official authorities- who would step into the meeting venue shall be checked by the members of the Board of Directors or the officials to be assigned by the Board of Directors. The members enter the meeting venue by signing their names on the list drawn up by the Board of Directors. Those who fail to show their identity documents, those who refrain from signing the aforementioned list and members who are not entitled to attend the general assembly shall be denied entry into the meeting venue. Members who are not entitled to vote and other people approved by the society may watch the general assembly from a separate section.

(2) Where the quorum has been achieved, it shall be specified so in an official report, and the meeting shall be opened by the Chair of the Board of Directors or a Board of Directors member assigned by the Chair. In the event of a failure to achieve the quorum, the Board of Directors shall draw up an official report.

(3) Following the opening, a council committee shall be formed, by electing a president to preside the meeting as well as an adequate number of vice presidents and clerks. During the votes for electing members to the organs of the society, the members who cast votes shall show their IDs to the council committee or to the officials authorized by the council committee, and sign their names in the list of attendees. The responsibility for the management and security of the meeting shall rest with the president of the council.

(4) At the general assembly, only the items on the agenda shall be discussed. However, it shall be mandatory that, the issues raised, in writing, by at least one tenth of the voters during the meeting are included in the agenda. The general assembly shall end after the items on the agenda have been deliberated and resolved.

(5) Where, subsequent to the endorsement of the society's estimated budget at the general assembly, a decision has been adopted, which would cause a raise in the expenses or a decline in the revenues, the estimated budget shall be revised in line with the said decision, and re-voted at the general assembly.

(6) The issues discussed during the meeting and the decisions shall be recorded in the meeting minutes and the minutes shall be signed by the president, vice president and the clerk of the council. At the end of meeting, the minutes and other documents shall be handed over to the Chair of the Board of Directors. The Chair of the Board of Directors shall be responsible for preserving these documents, and delivering them to the new Board of Directors within seven days.

(7) Provided that it is allowed by the society's bylaws, and a decision to do so has been adopted by the Board of Directors, general assemblies may be held online within the framework of the principles and procedures to be laid down by the Ministry.

#### **General assembly result notification**

**ARTICLE 26-** (1) The information and documents listed below shall be submitted to the Ministry within fifteen days after a general assembly:

a) The GENERAL ASSEMBLY RESULT NOTIFICATION (in ANNEX-2 hereof) which has been filled out in accordance with the relevant procedure, by also including the names of the permanent and substitute members elected to the society's organs.

b) A copy of each general assembly decision.  
c) In the event that the bylaws have been amended at the general assembly, the former and new versions of the amended articles of the bylaws, and final version of the bylaws with each page signed by a simple majority of the Board of Directors members.

(2) The general assembly result notification referred to in sub-paragraph (a) under the first paragraph shall also be submitted to the office of the local representative of central government.

(3) The general assembly result notification may also be made by a Board of Directors Member who has been authorized by the Board of Directors.

(4) For any failure to submit the required notifications as specified hereof, the Chair of the Board of Directors shall be held accountable.

#### **Board of Directors**

**ARTICLE 27-** (1) The Board of Directors shall consist of at least five members elected by the general assembly. In addition, a substitute member shall be elected for each member. The Board of Directors shall designate a chair, at least one deputy chair and a bookkeeping member from among the permanent members, within seven days following the election.

(2) In the absence of the chair, the Board shall convene upon the invitation of the deputy chair.

#### **Duties and authorities of the Board of Directors**

**ARTICLE 28 -** (1) The duties and authorities of the Board of Directors shall include the following:

a) Protect the common interests of the society members.  
b) Perform the necessary activities for the management and pursuit of the rights of the society members, and seek all kinds of judicial, administrative and executive remedies in the event that the rights of the members are infringed.

c) Ensure that the resources of the society are obtained and used in an effective, economical and efficient way.

ç) Assign and dismiss the secretary general and the staff to be employed in the society, and define the personal rights, titles, fees, social rights and working principles of these people as well as the principles and procedures regarding other matters.

d) Draft the budget and submit it to the general assembly.

e) Draft the proposed amendments to the society's bylaws and submit them to the general assembly.

f) Propose to the general assembly the management fee to be deducted from the compensations and royalties to be collected by the society.

g) Draw up the tariffs.

ğ) Resolve the membership applications.

h) Carry out the procedures associated with the types of membership, in line with the criteria laid down in the society's bylaws.

ı) Draw up the directives governing the way the society works and operates, and submit them to the general assembly.

i) Draw up the types of contracts required for the rights to be pursued by the society, and the types of contracts to be signed by the rightholders with the relevant parties, in an effort to support the rightholders.

j) Send the copies of Board of Audit reports to the Ministry within fifteen days following their submission.

k) Commission a certified public accountant to approve the financial information included in the annual transparency report and the society's accounts.

l) Set the agenda of the general assembly, and share the information and documents associated with the agenda, with the members at least fifteen days before the general assembly.

m) Decide to open representation offices.

n) Decide on the society's participation in international organizations that pursue the same goal, or cooperation with these organizations.

o) Undertake the partnership and communication process with the Ministry, regarding the issues associated with the society's main goals.

ö) Adopt the decision for the establishment of company and for becoming a partner of an existing company, that is aligned with the society's goal and field of activity and submit this decision for approval.

p) Adopt the decision for the purchase and sale of real estates and the establishment of limited property rights over these, and submit this decision for approval.

r) Adopt the decision for the procedures where the society takes or gives a loan or gives security for the loans it has taken, and submit this decision for approval.

s) Choose the society representatives to sit on the commission to be established in accordance with Article 81 of the Law.



s) Perform any other duties vested in it by the applicable legislation and the society's bylaws.

**Representing the society**

**ARTICLE 29-** (1) As the society's executive and representative body, the Board of Directors shall fulfill its duties as prescribed by the applicable legislation and the bylaws of the society. The duty to represent the society may be delegated by the Board of Directors to a member, the secretary general or a third party.

**Board of Audit**

**ARTICLE 30-** (1) The Board of Audit shall consist of at least three members elected by the general assembly. In addition, a substitute member shall be elected for each permanent member. The Board of Audit shall designate a chair from among its permanent members, within seven days following the election.

**Duties of the Board of Audit**

**ARTICLE 31-** (1) Collecting societies shall principally perform internal audit. Internal audit may be performed by the general Assembly, the Board of Directors or the Board of Audit, or independent audit organizations may be commissioned for external audits. The fact that audits have been carried out by the general assembly, the Board of Directors or independent audit organizations shall not avail the Board of Audit of its liabilities.

(2) The Board of Audit shall look into:

a) Whether the operations carried out by the Board of Directors are in compliance with the applicable legislation and the society's bylaws,

b) Whether the books, accounts and records of the society have been kept as required by the applicable legislation and the society's bylaws,

c) Whether actions have been taken in an effort to increase the royalty revenues,

ç) Whether the society's expenditures are aligned with the applicable legislation and the goal of the society,

at intervals no longer than one year, and in accordance with the principles and procedures laid down in the society's bylaws. It shall draw up a report including the audit findings alongside the relevant information, documents and considerations, to the Board of Directors, and to the general assembly when it convenes.

(3) It is mandatory that, upon the request of the Board of Audit members, all kinds of information, documents and records are shown or provided by the society officials, and the request to access management quarters and the premises is accepted.

**Technical - Scientific Board**

**ARTICLE 32-** (1) The Technical - Scientific Board consist of at least three members elected by the general assembly. In addition, a substitute member shall be elected for each permanent member. The Technical - Scientific Board shall designate a chair from among its permanent members, within seven days following the election.

**Duties of the Technical - Scientific Board**

**ARTICLE 33-** (1) The duties of the Technical - Scientific Board shall include following:

a) Perform reviews and research on the issues that fall within the scope of the collecting society's field of expertise,

b) Make recommendations to the relevant boards,

c) Investigate and draw up reports on topics requested by the Board of Directors, and submit one copy to the Board of Directors, and one copy to the Board of Audit,

ç) Perform other duties specified in the society's bylaws.

(2) Where deemed necessary by the chair or the board, representatives of organizations and agencies or relevant people may be invited to the board meetings, and asked to provide their insight and opinions.

**Discipline Committee**

**ARTICLE 34-** (1) The Discipline Committee shall consist of at least three members elected by the general assembly. In addition, a substitute member shall be elected for each permanent member. The Discipline Committee shall designate a chair from among its permanent members, within seven days following the election.

**Duties of the Discipline Committee and the disciplinary directive**

**ARTICLE 35-** (1) The Discipline Committee shall be tasked with enforcing the disciplinary directive. The disciplinary directive shall be drawn up by the Discipline Committee, reviewed by the Board of Directors, and adopted by the general assembly.

(2) The disciplinary directive shall stipulate that:

a) Multiple disciplinary penalties may not be imposed for the same act,

b) No decision may be adopted in relation to the member before all information and documents for and against the case have been gathered,

c) No punishment may be imposed without hearing out the member's plea.

(3) The Discipline Committee shall perform a disciplinary inquiry *ex officio* or upon the

request of the Board of Directors, and issue decisions regarding the enforcement of disciplinary penalties referred to in the disciplinary directive, and expulsion from membership.

(4) The decisions of the Discipline Committee may be taken to court.

#### **Quorum for the compulsory organ meetings**

**ARTICLE 36-** (1) The Board of Directors, the Board of Audit, the Discipline Committee and the Technical - Scientific Board shall convene in the presence of, at least, a simple majority of the total number of members, and act by a simple majority of the members present at the meeting, to adopt decisions. Where a member fails to attend three consecutive meetings without an excuse, his/her board membership shall cease.

#### **Election of non-members to the compulsory organs**

**ARTICLE 37-** (1) Provided that it is specified in its bylaws, persons who are not members of a collecting society may be elected to sit on the Board of Directors, the Board of Audit, the Discipline Committee and the Technical - Scientific Board. For this, they need to be nominated upon a proposal by one tenth of the voters present at the general assembly and elected by the general assembly. The number of non-members may not exceed the simple majority of the total number of members.

#### **Branches**

**ARTICLE 38-** (1) Collecting societies whose bylaws allow them to do so shall be entitled to open branches in locations where they deem necessary to carry out their activities, provided that the branches are affiliated to the society, and they do not have a legal personality or organs of its own. The branches shall not be represented at the society's general assemblies. The address of the branch shall be reported to the Ministry in writing, by persons who have been assigned as branch officials upon a Board of Directors decision.

### **SECTION FOUR Financial Provisions**

#### **Revenues of Societies**

**ARTICLE 39-** (1) Revenues of societies shall consist of the following:

a) The revenues generated from the collection of royalty revenues and compensations as well as the revenues generated from the investments of these revenues.

b) Revenues from entrance fees and membership fees as well as the management fee deducted from the revenues generated from the collection of royalty revenues and compensations.

c) Revenues generated from donations, and testamentary dispositions.

ç) Any properties the society owns and the revenues generated from these properties.

d) Other revenues.

(2) The revenues referred to in sub-paragraph (a) under the first paragraph hereof shall be kept in a separate account from other revenues.

(3) The revenues of the society shall be collected in exchange for a certificate of receipt or invoice.

#### **Distribution and distribution directive**

**ARTICLE 40-** (1) The royalty revenues collected by the society shall be paid to the rightholder after the management fee has been deducted and the compensations collected by the society shall be paid to the rightholder after the collection costs and the management fee have been deducted within a maximum period of thirty days as of the end of the fiscal year in which they have been collected. These periods may be extended by the collecting societies in the event of a failure to fix the lists of uses or identify the rightholders.

(2) The distribution directive shall include the distribution criteria and the rules on non-distributable revenues.

(3) The payment list for the distributions shall be annually reported to the Ministry.

### **Non-distributable amount**

**ARTICLE 41-** (1) Of the revenues, the sums which need to be paid to the rightholders represented by the collecting societies, yet could not be distributed due to a failure to identify or contact the relevant rightholders until the end of the period referred to in Article 40 hereof, shall be kept by the society in a separate account.

(2) Within maximum three months as of the end of the period, referred to in Article 40 hereof, for identifying or contacting the rightholders represented by the collecting societies, the society shall take all necessary actions including sending the relevant information to the organizations which have a representation agreement with its members. The information in question shall, to the greatest extent possible, include the name of the work or the subject of related right and the name of the rightholder as well as other details which might help identify the relevant publisher or producer and the rightholder. Where these actions yield no results, the collecting society shall publish the aforementioned information on its website within maximum one year as of the end of the three-month period.

(3) Despite all the actions taken by the society with a view to identifying and contacting the rightholders, the sums which could not be distributed to the rightholders, within three years as of the end of the fiscal year in which the revenues were collected as well as the interests and other revenues generated from these sums, shall be used in accordance with the distribution directive, provided that rightholders rights are reserved.

### **Fee to be paid to the board members and officials**

**ARTICLE 42-** (1) Fee may be paid to the chairs and members of the compulsory organs of the society, provided that they are not civil servants. No remunerations in the form of Fee and attendance fees or of any other nature shall be paid to the members other than the members of compulsory organs.

(2) The amounts to be paid, in the form of per diem and travel allowance, to the members who have been assigned on a society mission, shall be determined by the general assembly.

## **SECTION FIVE**

### **Termination of the Society's Legal Personality**

#### **Dissolution upon a general assembly decision**

**ARTICLE 43-** (1) With the vote of two thirds of the members present at the general assembly, a decision to terminate the collecting society may be adopted. The Ministry shall be notified by the president of the committee board of the general assembly, about the decision of termination, within fifteen days.

#### **Automatic dissolution**

**ARTICLE 44-** (1) Collecting societies shall be automatically dissolves where:

- a) They fail to hold their first general assembly and form their compulsory organs within six months after getting their operation permit, according to Articles 5 and 6 hereof,
  - b) They are unable to hold their ordinary general assembly due to a failure to achieve the quorum referred to in Article 24 hereof,
  - c) It has become impossible to form the compulsory organs in accordance with the society's bylaws,
  - ç) They are no longer capable of paying their debts,
  - d) The criterion about the number of members at the time of establishment is no longer satisfied,
  - e) They fail to hold the extraordinary general assembly referred in by the fourth paragraph under Article 42/B of the Law
- in such cases, the automatic dissolution of the society shall be determined, *ex officio* or upon request, by the Ministry.

(2) Sub-paragraph (d) under the first paragraph hereof shall be enforced in the cases listed below:

- a) For the collecting societies established pursuant to Article 5 hereof, the criterion about the minimum number of members specified in the same article is no longer satisfied.
- b) For the collecting societies established pursuant to Article 6 hereof, the criterion about the minimum number of members as of the date of establishment is no longer satisfied, and in addition, the number of their members is smaller than one third of the members of the collecting society with the greatest number of members, operating in the same field.

#### **Liquidation**

**ARTICLE 45-** (1) The liquidation of the money, properties and rights of a society which has been terminated upon a decision by the general assembly or has automatically dissolved shall be carried out in accordance with the principles laid down in its bylaws.

(2) The transfer of the money, properties and rights of a society shall be performed by the liquidation committee which is composed of the last Board of Directors members. These

procedures shall be launched as of the date on which the general assembly decision on termination has been adopted or the date on which automatic dissolution has become final. Throughout the period of liquidation, the society shall be referred to as "... Collecting Society in Liquidation" in all procedures.

(3) The liquidation committee shall, as the first course of action, inspect the society's accounts. During this inspection, the books, certificates of receipt, spending documents, title deeds and bank records as well as other documents of the society shall be set down and their assets and the liabilities they entail shall be noted in an official report. During the liquidation procedures, that the society is in debt, the debtors shall be contacted and the society's properties, if any, shall be cashed in and the debtors shall be paid up. Where the society is the debtor, the receivables shall be collected from the borrower. After the receivables have been collected and the debts have been paid up, the remaining money and properties shall be transferred as prescribed by the bylaws.

(4) In cases where, although the bylaws of the society prescribe that the liquidation would take place as decided by the general assembly, no decision was adopted by the general assembly or the general assembly was unable to convene, all money, properties and rights of the society shall be transferred, upon a Ministerial decision, to the society with the greatest number of members operating in the same field as of the date on which the society was closed.

(5) Once the procedures regarding the liquidation of the money, properties and rights of such society have been finalized, the liquidation committee shall be obliged to notify, via an official letter, the Ministry about the situation, and send the liquidation report in the annex of the said official letter.

(6) All procedures regarding liquidation shall be included in the liquidation report, and the liquidation procedures shall be finalized within three months, apart from the extension periods granted by the Ministry on the grounds of a justified excuse.

(7) In their capacity as the members of the liquidation committee, the last Board of Directors members shall have a duty to keep the books and documents of these societies. This duty may also be delegated to a Board of Directors member. The said books and documents shall be kept for a period of five years.

## **SECTION SIX**

### **Books and Records**

#### **Bookkeeping principles**

**ARTICLE 46-** (1) Societies shall employ the operation account method for bookkeeping purposes. However, where a society's yearly gross income exceeds one million five hundred thousand Turkish Lira, it shall employ the balance sheet method for bookkeeping, starting from next accounting period.

(2) Societies that employ the operation account method for bookkeeping purposes may switch to the balance sheet method upon a Board of Directors, without having to abide by the monetary threshold set forth in the first paragraph hereof.

(3) In the event that the societies which have switched to the balance sheet method does not exceed, for two consecutive accounting periods, the monetary threshold referred to in the first paragraph hereof, they may switch back to the operation account method.

(4) Societies that own commercial enterprises shall perform bookkeeping separately for their commercial enterprises, in accordance with the provisions of the Tax Procedure Law No. 213 of 4/1/1961.

(5) The threshold specified in the first paragraph hereof shall be enforced after it has been increased, each year, at the revaluation rate established and announced for the previous year as prescribed by the Tax Procedure Law, and the new threshold shall apply as of the beginning of the calendar year.

#### **Books to be kept**

**ARTICLE 47-** (1) Societies shall keep the books listed below:

a) The books to be kept and principles to be followed when employing the operation account method:

1) Operation account book: Revenues collected and expenses incurred on behalf of the society shall be clearly and regularly recorded in this book.

2) Minute Book: The decisions adopted by the Board of Directors shall be listed in this book in the order of date and number, and the decisions shall be undersigned by the members who are present at the meeting.

3) Member Registration Book: Identity information of natural persons or the tax number of legal persons who have joined the society and the identity information of their authorized representatives as well as the dates of membership initiation and termination shall be recorded in this book, according to membership types, where applicable. Entrance fees and annual membership

fees paid by members may also be recorded in this book.

4) Document Registration Book: Incoming and outgoing documents shall be recorded by specifying their dates and row numbers. The original copies of all incoming documents and copies of all outgoing documents shall be filed. All incoming and outgoing electronic documents shall be printed and filed.

5) Equipment book.

b) The books to be kept and principles to be followed when employing the balance sheet method:

1) Societies that employ the balance sheet method shall also keep the books listed in items (2), (3), (4) and (5) under sub-paragraph (a) of the first paragraph hereof.

2) Journal and general ledger: The method of keeping and recording these books shall comply with the Tax Procedure Law No. 213 and the principles laid down in the General Communiqués on the Accounting System Implementation issued based on the authority vested in the Ministry of Treasury and Finance by the said Law.

(2) Of the books listed above, the journal and the general ledger may also be kept electronically within the framework of the procedures and principles laid down in the communiqués issued by the Ministry of Treasury and Finance and the Ministry of Commerce which allow for their storage in the electronic environment, provided that they do not conflict with the provisions of the foregoing Regulation; and other books may also be kept electronically by using the software developed or permitted by the Ministry.

#### **Record keeping procedure**

**ARTICLE 48-** (1) The books and records to be kept in accordance with the foregoing Regulation shall be in Turkish. The books shall be written using a pen.

(2) The books may also be kept electronically. However, the books to be kept in the format of a form or continuous form may be used by assigning numbers to each sheet, and getting the sheets notarized. Once they have been filled out, the notarized sheets shall be combined and stored in the form of a book.

(3) The errors made in journal entries may only be corrected in accordance with accounting rules. Where number or words have been miswritten in other books and records, they may only be corrected by crossing off the miswritten number or word by making sure that it can still be read, and writing the correct word or number above or beside it, or in the associated account. Where a miswritten number or word has been crossed off, the person who crossed off the number or word shall put their initials.

(4) No record registered in a book may be rendered illegible by scratching, crossing off or erasing.

(5) Except for the part left blank for signature at the end of the pages of the minute book, the rows of the books may not be left blank or skipped. In bound books, book pages may not be torn away from the book. The order of notarized form or continuous form sheets may not be disarranged or torn away.

(6) The documents of the societies shall be assigned numbers in the order they have been registered in a book, and filed away.

#### **Record keeping period**

**ARTICLE 49-** (1) The transactions shall be recorded in the books on a daily basis. However, for the records of incomes and expenditures:

a) The transactions shall be recorded within a period of time that would not cause a disruption to the accounting order or security, in line with the size and requirements of the transaction. Such records may not be delayed for more than ten days.

b) For societies that keep their records on the basis of documents that bear the signature and initials of authorized supervisors, such as accounting receipts and payrolls, where the transactions have been recorded in these documents, they shall be considered as recorded in the book. However, these records shall not allow for recording the transactions in the main books in more than forty-five days later. If the society's books are requested for audit purposes, the transactions shall be recorded before the end of the forty-five-day period.

#### **Accounting period**

**ARTICLE 50-** (1) The accounting period for the societies shall be one calendar year. The accounting period shall start on 1 January and end on 31 December. For newly established societies, the accounting period shall start on the date of establishment and end on December 31.

#### **Notarization of books**

**ARTICLE 51-** (1) Societies that would use the books referred to in the foregoing Regulation shall have them notarized before starting to use them, except for the books kept in the electronic environment. These books shall be used until they run out of empty pages, and they shall not be re-notarized in between. However, the journal shall be re-notarized every year in the last month before the year in which it would be used. Notarization of the general ledger shall not be mandatory.

(2) A separate notarization number shall be assigned for each notarized book. An Apostille containing the society's name, registry number and place of residence as well as the type of the book, the number of pages in the book, the date of notarization, the notarization number, the official seal and signature of the notarizing authority shall be filled out and affixed to the first page of the book, and the corners shall be sealed by the notarizing authority. The last page of the book shall be sealed and signed by the notarizing authority, and the total number of pages in the book as well as the notarization date and number shall be specified.

(3) Each page of the book shall be sealed after confirming that they follow the sequence number.

#### **Revenue and expenditure documents**

**ARTICLE 52-** (1) The revenues of the society shall be collected in exchange for a certificate of receipt or invoice. The certificates of receipt to be used during the collection of society revenues shall be printed upon a Board of Directors decision, and checked by bookkeeping member. The Ministry shall be notified about the details of the printed certificates of receipt, within fifteen days. The bookkeeping member shall be responsible for storing the blank and unused certificates of receipt. Where the society revenues have been collected through banks, documents such as bank receipts or statements issued by the bank shall be considered as a certificate of receipt. The amount of money that can be deposited in the society's safe shall be determined by the Board of Directors, in view of the needs.

(2) The expenditures of the society shall be documented with the invoices or invoice substitutes issued, in accordance with the Law No. 213, by natural or legal persons.

### **SECTION SEVEN Other Provisions**

#### **Deed of Assignment**

**ARTICLE 53-** (1) The collecting society shall be authorized and have a liability to exercise, on its own behalf, the rights associated with the deed of assignment to be submitted by the rightholders, to commission third parties to exercise the said rights or deny them from doing so, to receive the fees paid in exchange for their exercise, to resort to all kinds of judicial, administrative and enforcement means for pursuing and collecting the said rights, and to ensure their follow up.

(2) The type and scope of each right associated with the deed of assignment shall principally be determined in compliance with the criteria to be set by the collecting society.

#### **Relations with the users**

**ARTICLE 54-** (1) Collecting societies shall act in line with the principles of integrity and goodwill in their relations with the users.

(2) Collecting societies shall respond, without delay, to the users' requests for information on the license agreement. After gathering the necessary information, users shall be offered objective and non-discriminatory license agreements, or the request shall be turned down by specifying the reason.

(3) Collecting societies shall be available for communication via electronic means, including notifications about the license agreement.

#### **Complaint submission procedures**

**ARTICLE 55-** (1) Societies shall have a liability to take the administrative and technical measures required for effectively, quickly and accurately resolving the complaints regarding the society's procedures and operations, submitted by their members, the organizations with which they have signed representation agreements, and the users.

#### **Annual transparency report**

**ARTICLE 56-** (1) Based on the calendar year, the collecting societies shall draw up, by the end of August each year, a transparency report including the matters listed in the "INFORMATION TO BE PROVIDED IN THE ANNUAL TRANSPARENCY REPORTS TO BE DRAWN UP BY THE COLLECTING SOCIETIES" (ANNEX-3 of the foregoing Regulation), and the said report shall remain available on the society's website for at least five years.

#### **Electronic handling of procedures and the Ministry's authority**

**ARTICLE 57-** (1) The Ministry shall have the authority to grant permission or impose obligations regarding the submission of information and documents which need to be presented to the Ministry in accordance with the Law and the applicable legislation, through all kinds of electronic information communication means and media including the Internet, by securing them with passwords, electronic signatures or other security tools, to lay down the format and standards to be followed as well as the principles and procedures for the implementation, and to have this obligation enforced separately in view of the fields of activity of the societies.

### **Websites of collecting societies**

**ARTICLE 58-** (1) Society's bylaws and directives, matters pertaining to membership, standard deed of assignment, entrance fees and membership fees, management fees, list of international organizations with which representation agreements have been signed, complaint submission procedures, tariffs, discounts and facilitated payment methods, standard license agreements, member and repertoire details, general assembly decisions, members of compulsory organs, contact information and the annual transparency report shall be published and updated on the corporate websites of collecting societies.

### **Liabilities of the members of the society's compulsory organs**

**ARTICLE 59-** (1) Members of the society's compulsory organs shall be held liable for prudent performance of their duties, and protection of the society's interests in compliance with the rules of integrity.

(2) Members of the society's Board of Directors and Board of Audit shall compile the following information and submit it to the general assembly on an annual basis:

- a) The sums they have received from the collecting society in their capacity as rightholders.
- b) Other payments received from the collecting society and the reason for being paid.
- c) Any other interests they have drawn from the collecting society.
- ç) Actual or potential conflicts between personal interests and interests of the collecting society, or between the liabilities to the collecting society and the liabilities to other persons.

## **CHAPTER THREE Federations of Collecting Societies**

### **SECTION ONE Establishment of Federations**

#### **Establishment of federations**

**ARTICLE 60-** (1) A federation may be established by at least two collecting societies. More than one federation may not be established in the same field. The fields in which federations may be established are as follows:

- a) Science and literature sector.
- b) Music sector.
- c) Cinema sector.
- ç) Authors of scientific and literary works.
- d) Authors of musical works.
- e) Authors of works of fine arts.
- f) Authors of cinematographic works.
- g) Performers.
- ğ) Phonogram producers.
- h) Radio-television organizations.
- ı) Film producers.
- i) Book publishers.

#### **Application for establishment**

**ARTICLE 61-** (1) Signed by the representatives of the societies that intend to establish a federation, an application including the federation's name, short name, field of activity, headquarters and address, shall be submitted to the Ministry with the following documents in its annexes:

- a) A federation bylaw signed by the founding society members.
- b) Copies of general assembly decisions adopted by the societies, regarding the establishment of a federation.
- c) Copies of the decisions adopted by the Boards of Directors of the relevant societies, indicating that the founders have been authorized to represent the society.
- ç) Information on the members of the temporary Board of Directors and the person(s) authorized to receive correspondence and notifications.

#### **The right and freedom to become a member**

**ARTICLE 62-** (1) Collecting societies operating in the same field with a federation, shall be entitled to become a member of that federation. Federations shall not be entitled to turn down membership requests within their respective fields of activity in the absence of objective and justifiable reasons.

(2) No collecting society shall be forced to become or remain a member of a federation. Collecting societies shall be entitled to join multiple federations.

(3) Collecting societies shall have a liability to pay the entrance fee and membership fee

specified by the general assembly.

#### **Applying for membership**

**ARTICLE 63-** (1) Collecting societies willing to join an existing federation shall submit an application to the federation, following the adoption of a general assembly decision to become a member. The decisions regarding membership applications shall be adopted by the federation's Board of Directors, and the applicant collecting society shall be notified, in writing, about the result within sixty days following the date of application.

(2) Disputes between the society and the federation about membership issues shall be settled by the Ministry.

#### **Resignation from membership**

**ARTICLE 64-** (1) Member societies shall be entitled to submit a request to resign from membership, upon a decision adopted by their general assemblies. Membership shall cease upon such an application. Unless otherwise has been decided by the federation, reciprocal liabilities shall remain in force for a period of one year.

## **SECTION TWO Other Provisions**

#### **Representing the members and pursuing the rights**

**ARTICLE 65-** (1) Federations shall be entitled to pursue rights within the framework of the authorization to be granted by the collecting societies or the authority to be vested by the Law.

#### **General assembly of the federation**

**ARTICLE 66-** (1) The number of delegates to be elected to the general assembly of the federation shall be specified in the federation's bylaws.

#### **Duties and authorities of the federation's general assembly**

**ARTICLE 67 -** (1) The duties and authorities of the federation's general assembly shall include the following:

a) Follow the procedure to be determined by the federation's general assembly for designating the permanent and substitute members of the Federation Board of Directors, the Federation Board of Audit, the Federation Technical - Scientific Board and the Federation Discipline Committee, who would perform the relevant duties until the next ordinary general assembly of the federation.

b) Deliberate and finalize the draft budget.

c) Review and decide on the reports presented by the boards.

ç) Perform the review and acquittal of the Federation Board of Directors accounts.

d) Review and resolve the proposed amendments to the federation's bylaws and proposed directives.

e) Determine the investment policy for the royalty revenues and compensations as well as the revenues generated from the investments made using these revenues.

f) Determine a reasonable rate at which sums would be deducted as the management fee and for cultural and social purposes, from the royalty revenues and compensations as well as the revenues generated from the investments made using these revenues.

g) Determine the entrance fee and membership fee.

ğ) Determine the fee to be paid to the chairpersons and members of the federation's compulsory organs.

h) Deliberate and resolve the issues which according to the Federation Board of Directors should be discussed by the federation's general assembly.

i) Decide to open branches.

i) Ratify the decision for the establishment of company and for becoming a partner of an existing company, that is aligned with the society's goal and field of activity

j) Endorse the purchase and sale of real estates and the establishment of limited property rights over these.

k) Decide on the risk management policy.

l) Endorse the federation's taking or giving a loan, or giving security for the loans it has taken.

m) Perform any other duties vested in it by the applicable legislation and the federation's bylaws.

(2) For the matters referred to in sub-paragraphs (i), (j), (k) and (l) under the first paragraph hereof, the federation's general assembly may authorize the Federation Board of Audit.



### **Other applicable provisions**

**ARTICLE 68-** (1) The provisions under Articles 7, 8, 9, 15, 16, 17, 18, 19 and 20 as well as those under Articles 22 to 59 shall also be enforced for the federations, to the extent they are applicable.

## **CHAPTER FOUR Miscellaneous and Final Provisions**

### **Inspection**

**ARTICLE 69-** (1) Societies and federations shall be subject to inspection by the Ministry, on administrative and financial terms. The Ministry shall exercise this authority within the scope of public interest. Individual conflicts between the rightholders and the collecting societies, which are not related to the functioning of collective rights management shall not be subject to inspection by the Ministry.

(2) This inspection pertains to the fulfillment of duties and liabilities vested by the Law, the foregoing Regulation, the applicable legislation and the bylaws of the society/federation, keeping of books and records in compliance with the legislation, regulation of tariffs in line with the principles laid down in the Law, and performance of the collection and distribution of all kinds of fees associated with the rights they manage, in compliance with the legislation.

(3) The Ministry may perform inspections any time, *ex officio* or in response to a complaint. The societies shall be given at least twenty-four hours' notice before an inspection.

(4) It is mandatory that all kinds of information, documents and records requested by the officials during the inspection are shown or provided by the society officials, and the request to access management quarters and the premises is accepted. Those who have been tasked with performing the inspection shall have the authority to request information and documents, provided that they are related to the subject matter of the inspection, from public organizations and agencies as well as natural and legal persons including banks.

(5) Where it has been established during the inspections that the duties and liabilities were not fulfilled, collection or distribution procedures were not carried out in compliance with the agreements or the distribution procedure was performed inaccurately and unfairly, the tariffs were not regulated in accordance with the principles laid down in the Law, or a procedure was carried out in violation of the legislation, action shall be taken pursuant to Article 42/B of the Law.

(6) In the event that signs of a criminal act have been spotted during the inspection, the Ministry shall promptly notify the Public Prosecution Office and the society/federation.

(7) The societies or federations shall be notified, in writing, by the Ministry about the result of the inspection they went through.

(8) The Ministry shall be entitled to send representatives to the general assemblies of societies and federation, as observers.

### **Log of Collecting Societies and Federations**

**ARTICLE 70-** (1) After a collecting society has been granted an operation permit, it shall be registered by the Ministry in the Log of Collecting Societies and Federations. In the log, a separate page shall be dedicated to each society and federation, and the boxes shall be filled out with the available information.

(2) The log number assignment of the societies shall be performed in accordance with the following principles:

a) A number assigned to a society or a federation may not be assigned to another society or federation.

b) Societies and federations shall be registered in the same log in a sequential order, regardless of their fields of activity.

c) The number to be assigned to a society or federation shall consist of three digits. For societies, the first digit shall be 1 whereas for federations, it shall be 2.

ç) The societies and federations which are already in operation as of the effective date of the foregoing Regulation shall be assigned number based on the dates on their operation permits.

(3) Where societies and federations are terminated or automatically dissolved, they shall be removed from the log after the procedures for the liquidation and transfer of their money, properties and rights have been finalized.

### **Enforcement of other legislation**

**ARTICLE 71-** (1) In cases where the foregoing Regulation does not include a provision governing the matters associated with the activities of collecting societies and federations, the relevant provisions of the Law on Associations No. 5253 of 4/11/2004, the Turkish Civil Code No. 4721 of 22/11/2001 and the Regulation on Associations published in the Official Gazette No. 25772 of 31/3/2005 shall apply.

### **Harmonization of existing regulations**

**PROVISIONAL ARTICLE 1-** (1) Collecting societies and federations established before the effective date of the foregoing Regulation shall hold an extraordinary general assembly by 1/1/2023 and harmonize their bylaws and other regulations governing the functioning of the society, with the provisions hereof. **(Clause inserted by: OG-2/10/2022-31971-C.K-6147/Art. 1)**

At this general assembly, only the agenda items related to the harmonization of regulations governing the functioning of the society with the provisions hereof shall be discussed and resolved; no other items may be added to the meeting agenda. Over this period, activities of existing collecting societies and federations shall be carried out in accordance with the provisions of the revoked Bylaws on the Collecting Societies and Federations of Authors of Intellectual and Artistic Works and Related Rights Holders.

(2) Collecting societies operating in the field of adaption and collection works shall maintain their activities in the new fields they would determine.

(3) The Ministry shall file a lawsuit for the termination of collecting societies which fail to comply with the provisions under this Article.

**Transitional provisions**

**PROVISIONAL ARTICLE 2-** (1) Ordinary general assemblies of the collecting societies and federations established before the effective date of the foregoing Regulation shall be held in the month specified in the society's bylaws, within the year in which it must be held in accordance with the first paragraph under Article 23 of the revoked Bylaws on the Collecting Societies and Federations of Authors of Intellectual and Artistic Works and Related Rights Holders.

**Entry into Force**

**ARTICLE 72-** (1) This Regulation shall enter into force upon publication.

**Enforcement**

**ARTICLE 73** — The provisions hereof shall be enforced by the President.

**TABLE SHOWING THE EFFECTIVE DATES OF REGULATIONS WHICH ENTAIL AMENDMENTS AND ADDITIONS TO THE REGULATION THAT ENTERED INTO FORCE UPON THE PRESIDENTIAL DECREE NO. 5405 OF 6/4/2022**

<b>Regulation which Has Enforced the Regulation that Entails Amendments and Additions</b>		<b>Amended Articles of the Regulation Which Was Enforced Upon the Presidential Decree No. 5405</b>	<b>Effective Date</b>
<b>Date</b>	<b>Number</b>		
1/10/2022	6147	Provisional Article 1	2/10/2022

**COLLECTING SOCIETY STANDARD STATUS**

TO THE MINISTRY OF CULTURE AND TOURISM

Please find attached the Bylaws of ..... Collecting Society, which have been drawn up in accordance with the Law on Intellectual and Artistic Works No. 5846 and the Regulation on Collecting Societies in the Field of Copyright as well as other applicable legislation and the **standard** status information provided below. I would kindly request that an operation permit be granted to the Society. .../.../...

Signature First & Last Name  
Chair or Member of the Temporary Board of Directors

1	COLLECTING SOCIETY'S	
	Name	
	Short Name	
	Address of Place of Residence	
	Headquarters (Province/District)	
	Phone No	
	Activity Field	<p>Authors of Works of Fine Arts Authors of Scientific and Literary Works</p> <p>Authors of Musical Works</p> <p><input type="checkbox"/> Authors of Cinematographic Works <input type="checkbox"/> Performers <input type="checkbox"/> Phonogram Producers <input type="checkbox"/> Film Producers <input type="checkbox"/> Radio-Television Organizations</p> <p><input type="checkbox"/> Book Publishers</p>
	Number of Founding Members	
Goal	Protect common interests of authors and related rights holders, manage and pursue the rights granted by the Law, collect the receivable compensations and royalties, and distribute them to the rightholders.	

FOUNDERS

2	Row No	Full Name/ Name of Legal Person	Turkish ID No/ Tax No	For Legal Persons - Name of Representative	Profession or Branch of Art	Signature
	1					
	2					
	3					
	4					
	5					
	6					
	7					

PERSONS AUTHORIZED TO RECEIVE CORRESPONDENCE AND NOTIFICATIONS

3	Row No	Full Name	Contact Information (mobile phone, e-mail)	Address of Place of Residence	Signature
	1				
	2				
	3				
	4				

---

CHAIR AND MEMBERS OF THE TEMPORARY BOARD OF DIRECTORS

4	R o w	F u l l N a m e	C o n t a c t I n f o r m a t i o n ( m o b i l e p h o n e , e - m a i l)	A d d r e s s o f P l a c e o f R e s i d e n c e	S i g n a t u r e
	1				
	2				
	3				
	4				
	5				
	6				

ANNEXES:

1- Bylaws of the Collecting Society (... pages, ... articles), 2- Application Documents

**GENERAL ASSEMBLY RESULT NOTIFICATION**

..... COLLECTING SOCIETY

Number :  
Subject : General Assembly Result Notification

.../.../...

TO THE MINISTRY OF CULTURE AND TOURISM / OFFICE OF THE GOVERNOR

The result of the general assembly held by our society on .../.../... is presented below. For your kind information.

Signature  
First and Last Name Chair of the Board of Directors

SOCIETY' S	Name / Short Name		GENERAL ASSEMBLY' S	Date of Meeting		Date of Postponed Meeting	
	Log No			Total Number of Members		Number of Members at the Meeting	
	Address			Type	Ordinary <input type="checkbox"/>	General Assembly <input type="checkbox"/>	Extraordinary General Assembly <input type="checkbox"/>
	Keyp Address			Election of Members to the Organs	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	E-mail			Amendment to the Bylaws	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	Phone No			Invitation Procedure	Letter of invitation <input type="checkbox"/>		
	Chair's Phone Number / E-mail Address				Electronic mail <input type="checkbox"/>		
			SMS <input type="checkbox"/>				

**ELECTED MEMBERS OF THE SOCIETY ORGANS**

Row	Full Name/ Name of Legal Person	Turkish ID No/ Tax No	For Legal Persons - Full Name of Representative	Nationality	Branch of Art/ Field of Activity	Elected As	Address of Place of Residence
1							
2							
3							
4							
5							
6							
7							



## ANNEX-3

### INFORMATION TO BE PROVIDED IN THE ANNUAL TRANSPARENCY REPORTS TO BE DRAWN UP BY THE COLLECTING SOCIETIES

#### A- GENERAL INFORMATION:

- (1) Revenue and expenditure information:
  - a) For societies that employ the operation account method: Income and expenditure statement with detailed information according to income and expenditure types
  - b) For societies that employ the balance sheet method: Balance sheet, income and expenditure statement with detailed information according to income and expenditure types, cash flow statement.
- (2) Report on the society's annual activities.
- (3) Information on agreements where the license request was turned down.
- (4) Information on the managerial structure of the collecting society.
- (5) Information on the organizations of which the collecting society is the full or partial owner/partner.
- (6) Information of the royalties and other sums paid to the members of the society's compulsory organs.
- (7) Report on how the amount deducted for social and cultural purposes was used.
- (8) Revenues from entrance dues and annual dues collected by the society.

#### B- GENERAL FINANCIAL INFORMATION:

- (1) Financial information, categorized according to the types of rights pursued, on the revenues generated from royalties and compensations, revenues generated from the investments made using these revenues, and how these revenues were used.
  - a) Financial information regarding the operational expenses of the collecting society, which includes the following items at the minimum:
    - b) The expenses incurred according to the types of rights pursued, and the designated method for distributing the costs associated with the expenses which are not directly related to a right.
    - c) Financial report on the amounts deducted for social and cultural purposes according to the types of rights pursued, and the activities carried out for these purposes.
    - d) Resources used for covering the costs.
    - ç) Amounts deducted for social and cultural purposes according to the types of rights pursued, and the purpose for deduction (collecting society's management fee, social and cultural purposes, etc.).
    - e) The ratio of revenues collected to the expenses incurred according to the types of rights pursued, and the designated method for distributing the costs associated with the expenses which are not directly related to a right.

#### C- FINANCIAL INFORMATION ON RIGHTHOLDERS:

- (1) The amount accrued for the rightholders, according to the types of rights pursued.
- (2) The amount paid to the rightholders, according to the types of rights pursued.
- (3) Frequency of distribution, according to the types of rights pursued.
- (4) The amount collected but not yet accrued for the rightholders, according to the types of rights pursued.
- (5) The amount accrued but not yet paid to the rightholders, according to the types of rights pursued.
- (6) The reasons if the society was unable to perform the distribution within the designated period.
- (7) Non-distributable revenues and how these revenues were used.

**Ç- FINANCIAL INFORMATION ON THE COLLECTING SOCIETIES WITH WHICH A REPRESENTATION AGREEMENT WAS SIGNED:**

(1) Revenues generated from the collecting societies with which a representation agreement was signed, according to the types of rights pursued, and the payments affected to these collecting societies.

(2) Collecting society's management fee and other sums deducted from the revenues generated within the scope of representation agreements, according to the types of rights pursued.

(3) Collecting society's management fee and other sums deducted from the revenues generated from other collecting societies within the scope of the representation agreements, according to the types of rights pursued.

**Note:** Collecting societies may include other information they deem necessary in their annual transparency reports.