
REGULATION

From the Tobacco and Alcohol Market Regulatory Authority:

**REGULATION ON PROCEDURES AND PRINCIPLES OF SALES AND PRESENTATIONS OF TOBACCO
PRODUCTS AND ALCOHOLIC BEVERAGES**

CHAPTER ONE

General Provisions

SECTION ONE

Objective, Scope, Basis and Definitions

Objective

ARTICLE 1 – (1) The purpose of this regulation is to lay down the procedures and principles of all kinds of operations regarding the advertisement, retail sale, presentation and the secure arrival to ultimate consumers of tobacco products and alcoholic beverages the protection of public health and consumer rights and assessment of competition.

Scope

ARTICLE 2 – (1) This regulation covers the procedures and principles which ensure market surveillance and control, by considering public and individual health, establishing competition, protecting consumer options, determining advertisement conditions, improving consumer awareness and registering operations on the display, sale and presentation of tobacco products and alcoholic beverages.

Basis

ARTICLE 3 – (1) This Regulation is prepared as based upon Law on Spirits and Alcoholic Beverages Monopoly, Law No. 4250, dated 8, June 1942 and Law on the Prevention and Control of Hazards of Tobacco Products, Law No. 4207, dated 7, November 1996 and Law on Organization and Duties of Tobacco and Alcohol Market Regulatory Authority, Law No. 4733, dated 3 January, 2002 and World Health Organization Framework Convention on Tobacco Control came into force on 8, December, 2004 with the Council of Ministers' 2004/8235 numbered Decision.

Definitions

ARTICLE 4 - The terms used in this Regulation shall have the meaning indicated:

- a) **Open alcoholic beverage seller:** Natural or legal persons, who possess open alcoholic beverages retail sales document and who make the sale and display of alcoholic beverages to ultimate

consumers by opening the display package, in line with the legislation.

- b) **Tied Sale:** A sales agreement or action obliging the purchase of a good or service along with a same or different additional good or service.
- c) **Information Society Services:** Electronic commerce, professional operations offered in electronic form and any good or service which is provided with electronic items such as electronic communications, informatics services, without any obligation of the parties coming face to face.

ç) **Young:** The person who is in the period between the ages of fifteen and twenty-four

- d) **Workplace:** The places allocated for the commercial operations which are included in the scope of this Regulation.
- e) **Campaign:** Encouraging and stimulating consumption practices and operations, which are organized in order to protect, introduce or increase the market share of the product.
- f) **Board:** Tobacco and Alcohol Market Regulatory Board.
- g) **Authority:** Tobacco and Alcohol Market Regulatory Authority.
- h) **Exclusive seller:** The natural or legal person, who is only engaged in the sale of tobacco and/or alcoholic beverages to ultimate consumers at the stage of packaging, and possessor of exclusive tobacco and/or alcoholic beverages retail sales document.
- i) **Retailer:** The natural or legal person, who is in the sale of tobacco and/or alcoholic beverages to ultimate consumers at the stage of packaging the product and possessor of alcoholic beverages retail sales document.
- j) **Promotion:** Measures aimed to introduce the product and the firm, to encourage the purchase of the product, increase the sales or to enhance the firm's or brand's image; More products at the same price, same or different additional product which is for free or discounted besides the product that is offered to disposition.
- k) **Sales document:** The permission document given by the Authority or an empowered authority in order sell the tobacco products along with the sale/or display of alcoholic beverages in workplaces.
- l) **Sponsorship:** Taking measures for presentation of the product of contributing to all events or operations or real and legal persons which have direct or indirect impact.
- m) **Wholesaler:** The natural or legal person, who have wholesale document and who is engaged in the sale of tobacco and/or alcoholic beverages to the dealers who have sales document in accordance with this Regulation.
- n) **Empowered authority:** Public agencies and organizations which are empowered within the framework of the signed protocol or professional organizations with public institution status.

SECTION TWO

Common Provision

The necessity to obtain sales document

ARTICLE 5- (1) The persons who are going to be engaged in wholesale and retail of tobacco and alcoholics beverages along with the sales operations of open alcoholic beverages, are obliged to obtain the below mentioned

documents:

- a) Tobacco product retail sale document in order to make tobacco retail sale.
- b) Alcoholic beverages retail sale document, in order to make alcoholic beverages sale.
- c) Tobacco and alcoholic beverages retail sale document, in order to make retail sale of tobacco and alcoholic beverages.
- ç) Exclusive tobacco and alcoholic beverages retail sale document, in order to make retail sale of exclusive tobacco and alcoholic beverages.
- d) Open alcoholic beverages sale document, in order to make sale of open alcoholic beverages by means of opening the display package.
- e) Tobacco and/or alcoholic beverages wholesale document, in order to make wholesale of tobacco and/or alcoholic beverages.

(2) The exclusive permissions given by public agencies and organizations or public professional organizations to workplaces shall not eliminate the obligation of obtaining sales document in accordance with this Regulation.

Common provisions for workplaces

ARTICLE 6 – (1) The below mentioned provisions cover all workplaces where sales and presentations of tobacco products and alcoholic beverages take place, belonging to natural and legal persons:

- a) The presence of a permanent and physical workplace is searched for the operations which are within the scope of this Regulation. To obtain sales documents for each workplace in case the real or legal person owns more than one workplaces is obligated.
- b) The authorized sellers are not allowed to engage in sale and/or make presentation outside the workplace indicated in the sale document.
- c) The sale of alcoholic beverages by means of information society service or post service and similar distribution services, may only be executed by workplaces possessing sales document. The alcoholic beverage sellers who have obtained authorization document from the Authority, are obliged to engage in sales and distribution operations through information society service or by means of post service and similar distribution services, in accordance with the procedures and principles indicated in this Regulation.
- ç) The workplaces cannot keep automatic vending machines sale tobacco products and alcoholic beverages. Tobacco products and alcoholic beverages cannot be subjected to any game or bets by means of any manner of game machines along with by different ways.
- d) In workplaces, where different products are sold except for the products which are within the scope of this Regulation, the products which are in the scope of this Regulation, shall be separate from the other products and be sold and/or stored by allowing a supervision in any manner.
- e) The sales document, shall be posted on suitable places in workplaces where consumers can easily see and read. The authority registration number shall be written on workplace signs or outer surface of show windows to be easily seen and read.

f) The tobacco products and alcoholic beverages cannot be sold or offered by means of presentation in workplaces to anyone under the age of eighteen. In case of doubt about the age, the seller shall ask the identification card of the requesting consumer, reach the information that he is 18 years of age and accomplish the sale and presentation.

g) It is necessary to keep and post warning signs in workplaces, warning that the tobacco products and alcoholic beverages cannot be sold and presented to persons under the age of eighteen, and these signs should be posted on places where easily seen and read. The procedures and principles regarding the content, shape and positioning of the warning signs shall be determined by the Authority.

h) Sellers shall neither keep with commercial purposes nor transfer or offer to sell the products in their stores that do not bear the signs such as banderole, labels, holographic, stamps, stamp or similar signs, that are compulsory to appear on this package material in accordance with the legislations, imitation products or the products that bears signs that are not qualified. The code used on beer shall be under the heel of banderole.

(2) Persons under the age of eighteen, cannot be employed in the marketing, sale and presentation of tobacco products and alcoholics beverages. However the works coped according to legal regulations for training purposes are beyond this provision.

CHAPTER TWO

Principles of sale operations and sales documents

SECTION ONE

Procedures for the operation of wholesales

ARTICLE 7- (1) The following principles shall be applied for wholesales:

- a)** Tobacco product and alcohol beverage producers and importers may sell their products to the other wholesalers depending on the documents they obtain from the Authority for production, importation and distribution operations without having an obligation to obtain a separate wholesale certificate. Persons mentioned above shall obtain a wholesale certificate in order to sell direct open alcoholic beverages sellers and/or retail sellers. Besides, these person and wholesalers, if in case request to sell open alcohol beverages or execute sale at retail, they shall obtain the open alcohol beverage sale document and/or retail sale document.
- b)** A sales document shall be obtained for any place where the product sale and purchase take place. Wholesale document for real persons is arranged by the owner of the business enterprise or with the application of his attorney in the name of the real person, for legal persons by the application of representative of the legal person or persons authorized for binding, the document shall be arranged in the name of legal person.
- c)** The wholesale, without the prejudice to item (a), may not purchase from the persons who have not obtained wholesale purchase document, except for selling narghile-tobacco produces for narghile using places. The ones who quit their operations by their own will, the ones whose document is cancelled, or when the document is no more valid shall publish their position on the website. The Authority registration number of the wholesaler and purchaser, and the brand name which completes the quality of the product and volume package or unit shall be indicate on the trade invoice and transport and transmission waybill.

ç) In case the display of the product which is subjected to the violation that is stated in the item (c) of Article

8 of the Law, Law No. 4733, dated January 3, 2002, is stopped for a year and the products which are subjected to this decision are published on the website of the Authority, the wholesalers cannot execute the distributions of such products.

d) The wholesalers shall keep sufficient number of affirmation materials indicated by the Authority on the packages of the products they sell in order to provide the retailer to control the security properties of the banderol and codes which are obliged to be kept, shall control the products orderly, shall not keep the products which are fake and do not satisfy its qualities in their workplace and cars and shall present the approval materials to the purchasing sellers when wanted.

Principle concerning retail sales:

ARTICLE 8 – (1) It is obligatory to follow the principles mentioned below for retail sales:

- a) The retailer cannot purchase products from persons who don't carry a sales document.
- b) Except for the places where sales cannot be executed, indicated the Law, No. 4250, dated June 8, 1942 and the Law, No. 4207, dated November 7, 1996, the ones whose operation subject indicated in the document is grocery, market, supermarket, hypermarket, seller of dried fruits and nuts and bookstall can request for retail sale documents.
- c) The operation title of retailers can comprise both or each of the operation titles picked as tobacco products and alcoholic beverages and operation titles should separately be indicated on the sales document.
- d) The retailers cannot sale or display the tobacco products and alcoholic beverages by ruining the display packages or by splitting.

Places and methods that should not be used for tobacco product sales

ARTICLE 9 – (1) The sale of tobacco products cannot be executed in places where health, education, culture and sports services take place.

(2) Tobacco product sale and delivery cannot be executed by means of information society service or post service and similar distribution services.

Principles regarding the workplaces that are related with the sale of retail and open alcoholic beverages

ARTICLE 10 – (1) Open alcoholic beverages cannot be consumed or presented in workplaces that does not possess open alcohol sales document.

(2) The sale of alcoholic beverages cannot be executed in constructions and plants located in motorways and state highway, excluding municipal adjoint areas and accommodation places.

(3) The sale of alcoholic beverages cannot be executed in dormitories, sports clubs, all kinds of educational institutions, coffee houses, local coffee houses, patisseries, beziques and bridge rooms. Meanwhile, the sale of alcoholic beverages which comprise or more than 5% alcohol by means of volume cannot be executed in the stores and restaurant in gas stations.

Principles for sales of alcoholic beverages through information society services or postal service or

similar distribution services

ARTICLE 11 – (1) Real or legal entities that would like to engage in sales of alcoholic beverages through information society service or postal service or other distribution services are required to obtain a retail sales certificate in compliance with the activity field and to operate in compliance with principles and procedures in this Regulation.

(2) Alcoholic beverages cannot be sold through television, cable tv, radio and public broadcasting channels.

(3) Alcoholic beverages cannot be sold and delivered to student dormitories, sports clubs, all kinds of education and learning institutes, coffee shops, coffee houses, patisseries, bezique and bridge halls through information society services or postal service or other distribution services.

(4) Individuals who have obtained wholesale certificate can sell alcoholic beverages to wholesaler, retailers or bulk alcoholic beverage sellers through information society services or postal service or other distribution services. Wholesalers notify their internet address dedicated for such sales to the Authority in written and this address is stated by the Authority on the sales certificate.

(5) Sellers who have obtained retail certificate can sell alcoholic beverages to certified bulk alcoholic beverage sellers and end users through information society services or postal service or other distribution services. When retailers would like to retail alcoholic beverages to bulk alcoholic beverage sellers or end users through internet besides their actual workplaces, they notify the internet address dedicated for such sales to the Authority in written and this address is stated by the Authority on the sales certificate.

(6) No sales can be made on an internet address other than the address stated on the sales certificate.

(7) It is obligatory to dedicate a separate page on the same internet address that can be reached apart from other products and to state the actual workplace address given on the sales certificate of the seller and the Authority registry number given on the sales certificate on the section of the site dedicated for alcoholic beverage advertisement and sales for sales of alcoholic beverages on the internet.

(8) Direct link cannot be provided for the internet page dedicated for sales of alcoholic beverages from other internet ages. Alcoholic beverages cannot be sold through automatic popup windows without user controlled in sections other than pages dedicated for sales of alcoholic beverages on the internet.

(9) No additional statement other than the alcoholic beverage manufacturer or importer, product brand, price, volume, category, origin information and alcohol level can be included on retail purpose internet pages. Such information cannot be stated in different colors, sizes or fonts to emphasize any product or company. No application can be executed to diminish user alternatives or to disturb sectoral competition by using written or visual elements in these internet addresses.

(10) Retail sales made through information society services, postal services or similar distribution services are made when the certificate owner receives the order directly from the orderer and the ordered product is delivered to the orderer on condition that the seller is responsible for compliance of the transactions with the legislation, including not delivering the products to underage individuals, from the receipt of the order until the delivery of the product. No mediatorship service can be offered through the internet by bringing the consumer and the seller together in electronic environment and receipt of alcoholic beverage orders by sellers.

(11) The product charge can only be collected through credit card or wire transfer in online retail sales.

CHAPTER TWO

Principles for Sales Certificates

Application for sales certificate

ARTICLE 12 – (1) Individuals who would like to obtain sales certificated for activities under this Regulation fill out the application form stated on the internet page of the Authority and suitable for the nature of the activity and sign the document with wet signature or electronic signature.

(2) Following information should be included in the application form depending on the nature of application in applications for retail and bulk alcoholic beverage sales certificates.

a) In applications on behalf of real entities;

1) Copy of business license and operation license, copy of license or permission certificate for bulk alcoholic beverage sales to be obtained from competent authorities as per the legislation for those who would like to sell bulk alcoholic beverages.

2) The document in which the related civilian authority states positive opinion after evaluation for the location of the retail alcoholic beverage sales in places without municipal organization.

3) Document for taxpayer registry.

4) Copy of bank receipt for payment of the document fee.

b) In applications on behalf of legal entities;

1) Copy of business license and operation license, copy of license or permission certificate for bulk alcoholic beverage sales to be obtained from competent authorities as per the legislation for those who would like to sell bulk alcoholic beverages.

2) Copy of the Turkish Trade Registry Gazette in which the commercial title was published and signatory circulars or copies of letter of attorneys for competent representatives.

3) Document for taxpayer registry.

4) Copy of bank receipt for payment of the document fee.

(3) Following information should be included in the application form for wholesale certificate applications:

a) The main contract and amendments published in the Turkish Trade Registry Gazette and signatory circulars of competent representatives.

b) Business license or operation license or branch registry for the location for which the sales certificate was requested.

c) Original or notarized copy of the certificate of authority for the products for wholesale obtained from the manufacturer or importer, copies of production/importation or distribution permission certificated obtained by the manufacturers and importers at applications for wholesale certificates in line with the Authority legislation.

ç) Document for taxpayer registry.

d) Copy of bank receipt for payment of the document fee.

Arrangement of the sales certificates

ARTICLE 13 – (1) The application form and appendixes arranged in line with the provisions of this Regulation are submitted in person, through an authorized representative, postal service or similar distribution services

to the Authority or and authorized entity. If the original document is to be delivered in applications in person or through representatives, the certified document photocopy is accepted after the official controls its authenticity and states the name and title. In case of deliveries through postal and similar services, application is made with original documents or certified copies. The Authority or the authorized entity cannot be held responsible for troubles in applications submitted through postal service or similar distribution services.

(2) When the Authority or the authorized entity confirms through document submission that the statements and information in the application form and its appendixes are in compliance and there is no condition in violation of Article 8 of the Law numbered 4733 and dated 3/1/2002; it arranges and delivers the sales certificate to the name of the real or legal entity without the need for another research or posts to the stated address in return for receipt notice. Apart from document submission, the provisions in Article 8 of the Law numbered 4733 and dated 3/1/2002 are reviewed and evaluated only by the Authority. Rejection or acceptance of the application is finalized in thirty days at the latest.

(3) In applications of ordinary companies, the application made by one of the authorized representative partners and the sales certificates are arranged to the name of the company.

(4) In document applications for canteens or social facilities operated by public organizations and institutions; upon application with the document authorizing the applicant, no other document is needed apart from the application form and the bank receipt for the sales certificate fee. In case such places are operated by lease holders, all of the documents sought for real and legal entities are required for sales certificate application.

(5) The permission certificate obtained from the civilian authority is sought for those who would like to sell bulk alcoholic beverages at foundation and association lounges. The bulk alcoholic beverage sales document is arranged to the name of the foundation based on the documents requested from the managing director authorized to represent the foundation if the foundation lounge is operated on behalf of the foundation with the decision of the administrative board and arranged to the name of the lease holder based on the documents requested from the lease holder if it operated by the lease holder.

(6) Sales certificate arranged to the name of the product supplier real or legal entity is sufficient in terms of retail and bulk alcoholic beverage sales and presentation in vehicles used on highways, railways and airways. For bulk alcoholic beverage sales certificates to be issued for each of the sea vehicles; application is made at the location of the head office of the real or legal entity executing transportation.

(7) In order to make alcoholic beverage sales and/or presentation at stands to be established during temporary activities such as exhibitions, festivals and feasts for the activity in alcoholic beverage sector; it is obligatory to obtain a permission paper from the Authority on condition that the paper is valid for the entire activity and operation is conducted in compliance with principles and procedures set forth in this Regulation. In these applications, the applicant or the organizer real or legal entity should obtain alcoholic beverage sales permission certificates from the municipality or provincial special administrations or civilian authorities competent at the location of the activity. In these applications, the permissions to be issued by the Authority are arranged to the name of the real or legal entity that obtained permission for alcoholic beverage sales from the municipality or the civilian authority and to the name of the leaser of the stand if the permission is obtained by the real or legal entity organizing the activity.

(8) In the event that the owner of the sales certificate merges with another legal entity to create a new legal entity or an uncertified legal entity takes over a certified legal entity with its assets and liabilities; it is obligatory to obtain a new sales certificate to the name of the transferee legal entity under the legislation for continuation of the activity in the sales certificate.

(9) For legal entities, if the president and all or a part of the members of the highest decision body of the legal entity are substituted, written notification is made to the Authority or the authorized entity for evaluation within thirty days following the occurrence of the change of the president or the members.

(10) In case of any amendment in any of the information and documents stated at sales certificate application; it is obligatory to make a written notification to the Authority or the authorized entity for evaluation

within thirty days following the occurrence of such change.

(11) In case the entities whose certificates have been cancelled under the Clause 8 of Article 8 of the Law numbered 4733 and dated 3/1/2002 make a new certificate application with the document indicating that reasons for cancellation have been eliminated; a new certificate is arranged upon collection of charges valid for the related year in the upcoming years and without collecting any charge within the year of cancellation.

(12) In case the authorization certificate obtained from the manufacturer/importer company products of which are sold and delivered by the wholesalers, such wholesales are required to provide written information to the Authority or the authorized entity and to ensure that necessary change is made on the sales certificate by applying to the authorized entity following the discharge of available products, within thirty days following the expiry date. The sellers that do not have an authorization certificate obtained from a different manufacturer/importer company are required to return the sales certificate to the Authority following the discharge.

(13) The restrictions stated for the period and/or time frame of sales on the official document allowing the sales of bulk alcoholic beverages and business license and operation license submitted at the bulk alcoholic beverage sales certificate application are also applicable for bulk alcoholic beverage sales certificate.

(14) Sales certificate owners can apply for a new sales certificate,

a) In case their sales certificates get lost, by arranging a new application form without attaching the documents previously submitted,

b) In case of change in information in the certificate, by attaching necessary documents and notification depending on the nature of amendment and the previous original sales certificate,

In this case, application should be made within thirty days at the latest. On such occasions, sales certificates are arranged again free of charge by the Authority or the authorized entity.

Time extension and validity of sales certificates

ARTICLE 14 – (1) Independent from the date of receipt of sales certificates or the date of time extension transaction, sellers who would like to continue with sales operations are required to execute time extension transaction from the beginning of January until the end of March the next year. Time extension transaction is executed when the time extension charge valid at the date of transaction is transferred to the bank account announced by the Authority by declaring the Authority registry number. Time extension transaction is declared on the document.

(2) Sellers who would like to intentionally end their activities under this Regulation submit a notification to the Authority. The concerned sellers discharge their products at their workplaces and return their sales certificates to the Authority within thirty days following the date of notification. Information about these sellers are published on the internet page of the Authority as from the date of their receipt by the Authority.

(3) The sales certificates of sellers who did not complete their time extension transaction in due time are considered void thirty days after the last day of the time extension transaction and such condition is published on the internet page of the Authority. Such sellers cannot sell any product following the end of the time extension period and they are required to discharge their products within the validity period of the documents. In case the sellers who failed to complete time extension transaction in due time would like to continue with their activities, they are required to obtain a new certificate.

(4) Sales certificates cannot be transferred. In case the certificate owner is deceased and inheritors would like to continue with operation, they are required to apply to the authority that issued the certificate to provide adjustment of the sales certificate arranged to the name of the real person within ninety days following the date of death. In case inheritors would not line to continue with the activity, the products held at the workplace are required to be discharged within three months following the end of the adjustment period.

(5) Discharge of products of sellers, whose sales certificates have expired as defined in this article, is

completed with sales within the authority limits of the documents, product return to the related manufacturer/importer or wholesaler or transfer to a seller holding an equivalent document within thirty days.

Charges for sales certificates

ARTICLE 15 – (1) The sales certificate fees and time extension charges to be arranged under this Regulation are determined by the Authority basing on the charges of the previous year depending on the nature of activity and to be valid for the current year and the determined amounts are published in the Official Gazette.

(2) Sales certificate fees are not returned to those who terminated their activity.

CHAPTER THREE

Competition and Advertisement for Sales and Presentation of Products

SECTION ONE

Competition and Advertisement for Sales and Presentation of Products

Product supply and product availability

ARTICLE 16 – (1) Retailers cannot execute any operations to diminish the alternatives for users with tobacco products to be stored at their workplaces or to disturb market stability to affect consumer preferences.

(2) Manufacturers, importers and wholesalers,

a) Cannot execute any operations to disturb market stability, to diminish consumer alternatives, to prevent the fulfillment of the requirement of product availability of the retailer, to restrict or hinder activities of other companies.

b) In all kinds of agreements to be concluded with retailers; conditions that require exclusive implementation for the benefit of the products of any company or that make competition restrictive or obstructive for other companies cannot take place. Parties of such agreements hold mutual responsibility.

c) Cannot implement marketing methods including tied sales in product supply to retailers.

(3) Wholesalers are required to deliver the products ordered by certified sellers to the workplace of the certified seller requesting them in reasonable time periods in line with commercial practices; wholesalers are held responsible if the products are not delivered to certified sellers within reasonable time periods despite being requested. Manufacturers and importers take necessary measures for fulfillment of these liabilities of wholesalers. On such occasions, on condition that the Authority is notified in written, manufacturers and importers are held responsible along with wholesalers.

Type of storage of tobacco products at retail stores

ARTICLE 17 – (1) Tobacco products are stored and sold in a separate section of the store that is not visible outside under supervision and audit of employees on condition that necessary measures are taken to prevent direct reach of underage individuals. However, if it is not possible to create a separate sales section in such workplaces due to physical conditions, they are sold at sales units that cannot be directly reached by underage individuals.

(2) Following conditions are met under the first clause:

a) Sales units or areas cannot be designed aiming for visibility from outside,

b) Sales units cannot be placed outside the workplace.

c) Certified sellers are required to take all kinds of measures to adapt physical conditions and the character and position of sales units to prevent visibility of tobacco products from outside the workplace and to prevent direct reach of underage individuals to products.

ç) In case it is not possible to prevent visibility of the tobacco products in the sales unit from outside the workplace due to physical conditions of the store, the sales units in the workplace should be manufactured in a way that the content is not visible from outside. Retailers who make sales in places without any sales unit or in too little areas to locate a sales unit store tobacco products on cabinets nontransparent on the front face.

d) Apart from the buffets where consumers shop without entering in; tobacco products cannot be put to sale on sections next to children materials, children magazines, books and publications, children clothing, stationery, toys and products consumed by children such as chips, chocolates and candies.

(3) Sales units cannot include any written or visual or audio elements, advertisement purpose statements and marks, cannot be designed with more than one color combinations and should be in simple design. In case of more than one sales unit, same color is required for all sales units.

(4) Type of product availability, sales units and sales locations at retail locations cannot be arranged in a way to give superiority to any company. The products are located in the sales units in vertical positions not to prevent visibility of illustrated warnings on the front face. Products cannot be located in the sales units in groups.

(5) Any words, diagrams, pictures, color combinations, letters and all kinds of symbols resembling tobacco product brands cannot be located inside and outside the workplace, on windows, signboards and sales units.

(6) Retailers are required to arrange the sales units/areas at their workplaces in accordance with this Regulation. Manufacturers, importers, marketing companies and wholesalers cannot force or encourage retailers to arrange the sales units/areas in violation of this Regulation.

(7) Retailers are obliged to comply with the arrangements in this article if they would like to keep tobacco products other than cigarettes at their workplaces.

(8) Cigarettes cannot be sold in more than one areas at workplaces.

Price announcements

ARTICLE 18 – (1) Price announcements for tobacco products sold at workplaces by retailers are implemented by

a) Writing the current price of the brand in black color letters and numbers in maximum twenty font size on white background to be positioned under the shelf of every tobacco product brand, or

b) Keeping the lists arranged in black letters and numbers in maximum twenty font size on rectangular white background in which the unit price and brand of every tobacco product sold, at the sales units/areas of tobacco products.

(2) Price announcements and price lists in this article cannot include information exclusive for one or more products.

(3) Apart from notifications entirely including commercial information realized between the manufacturer and sellers and not reflected on consumers; price announcements cannot be made by using the names, logos, pictures, photographs, symbols and similar elements through media organs and internet for any reason.

(4) Price announcements and price lists arranged in violation of this article are considered encouraging content

and advertisement.

Advertisement, campaign, sponsorship and promotions

ARTICLE 19 – (1) Tobacco products and manufacturer companies cannot be introduced or advertised by any means by using their names, brands or symbols. Campaigns cannot be organized to encourage or support the use of these products. Companies engaged in production and marketing of tobacco products cannot support any activity by using their names, emblems, product brands or symbols.

(2) The names, emblems or product brands or logos or resembling symbols of companies operating in the tobacco products sector cannot be worn as clothes, watches or accessories. All kinds of bubblegum, candies, toys, clothes, accessories and similar products cannot be manufactures, distributed and sold in a way to resemble tobacco products or brands.

(3) Tobacco products cannot be sold with automatic sale machines and be subject of playing machines with any methods. Tobacco products cannot be delivered under titles such as awards, bets, prizes etc.

(4) Companies cannot distribute the manufactures and marketed tobacco products to agencies or consumers for free or as a donation under titles such as incentives, gifts, promotions, samples and demonstrations for any purpose.

(5) Tobacco products cannot be subject to retailing and/or distribution at all levels for below their list prices or free of charge.

(6) No campaigns or promotions can be organized and no sample, gift, donation, lottery and similar applications can be executed in return for purchase of any tobacco product.

(7) Tied sales cannot be executed for retailers and consumers.

(8) Tobacco products cannot be sold and distributed through active sales face to face with the consumer. Such sales and distributions are considered advertisement.

(9) No application can be executed for advertisement of such brands on vehicles of companies in tobacco products sector. Any kind of signs or color combinations cannot be used on these vehicles to make advertisement of tobacco product brands. Their commercial titles and company information can only be located on sides, not exceed ten percent of the surface area of each side.

SECTION TWO

Competition and Advertisement for Sales and Presentation of Products

General principles for sales, presentation and advertisement of alcoholic beverages

ARTICLE 20 – (1) No campaigns, promotions or advertisements can be executed to support or encourage use or sale of alcoholic beverages.

Price announcements

ARTICLE 21 – (1) Price announcements of alcoholic beverages at workplaces can only be executed on condition that they are located in sales areas for alcoholic beverages and the numbers and letters do not exceed fifty font size. Price announcement can be made with price printed packages.

(2) Price announcements cannot include any violation against the principles for alcoholic beverage advertisements and product exposition set forth in this Regulation. Any violating price announcements are considered supportive and encouraging.

(3) Price announcements and price lists in this article cannot include information exclusive for one or more products.

Product supply and product availability

ARTICLE 22 – (1) Alcoholic beverage retailers store alcoholic beverages for consumer demand in enough variety for preference among companies of more than one companies in the same category and not to diminish consumer alternatives by considering market conditions and consumer demands at their workplaces. Not all of the alcoholic beverage categories are required to be available at workplaces.

(2) Wholesalers are required to deliver the products ordered by certified sellers to the workplace of the certified seller requesting them in reasonable time periods in line with commercial practices; wholesalers are held responsible if the products are not delivered to certified sellers within reasonable time periods despite being requested. Manufacturers and importers take necessary measures for fulfillment of these liabilities of wholesalers. On such occasions, on condition that the Authority is notified in written, manufacturers and importers are held responsible along with wholesalers.

(3) If the retail sales certificate holder alcoholic beverage manufacturers and importer companies exclusively sell their own products at retail workplaces operated under their own commercial titles, liabilities for product supply and availability in this article are not compulsory.

(4) Apart from retailers in duty free stores, exclusive alcoholic beverage sales points, ports, airports and airfields; alcoholic beverages in packages of 20 cl and below cannot be stored or sold at workplaces identified in the business license and operation license as grocery, market, supermarket, hypermarket, nut stores and buffets. Wholesalers are required to comply with this restriction while fulfilling their distribution liability to retailers.

(5) Manufacturers, importers and wholesalers,

a) Cannot execute any operations to disturb market stability, to diminish consumer alternatives, to prevent the fulfillment of the requirement of product availability of the retailer, to restrict or hinder activities of other companies.

b) In all kinds of agreements to be concluded with retailers; conditions that require exclusive implementation for the benefit of the products of any company or that make competition restrictive or obstructive for other companies cannot take place. Parties of such agreements hold mutual responsibility.

c) Cannot implement marketing methods including tied sales in product supply to retailers.

Exhibition

ARTICLE 23 – (1) Alcoholic beverages are only exhibited at sales unit dedicated for these products. Storing and cooling purpose units dedicated for these products are within the scope of sales units. Alcoholic beverages can be sold in more than one sales units, however, the integrity of alcoholic beverage area cannot be disturbed by positioning the sales units in more than one sections/rayons. Alcoholic beverage advertisements at workplaces can be implemented in the area dedicated for alcoholic beverages in compliance with the principles set forth in Article 24.

(2) Products or brands of any company cannot be exhibited at retailing workplaces to diminish consumer alternatives.

(3) Apart from the buffets where consumers can shop without entering in; alcoholic beverages cannot be sold in areas next to all kinds of materials aimed at children.

(4) Retailers are responsible for making exhibition arrangements in compliance with this Regulation. Manufacturers, importers and wholesales cannot force or encourage retailers to make exhibitions in violation of this Regulation.

Advertisement, campaign, sponsorship and promotions

ARTICLE 24 - (1) Alcoholic beverages cannot be advertised through television, cable tv, radio and public broadcasting channels. Other advertisement and promotion should be aimed at facilitating brand selection, introducing product features, providing proper information for consumers, without creating any consumption induced public, social and medical damages and without being abusive, encouraging and promoting. Advertisements cannot be made aiming at youth and children and associating with sports activities.

(2) Sponsorships, campaigns, promotions, advertisement and advertisement content activities not executed in accordance with below principles are considered abusive, encouraging, promoting, damaging to public health and effective on youth and children:

a) Alcoholic beverages cannot be distributed as gifts, donations, samples or promotions free of charge. Exhibition is allowed at facilities of manufacturers and importers, workplaces of wholesalers and workplaces with bulk alcoholic beverage sales certificates.

b) Tied sales cannot be implemented for retailers, bulk alcoholic beverage sellers and consumers.

c) Emblems, flags, symbols and other marks of religions, races, flags, political parties, associations, communities and foundations and sports content statements, patterns and symbols cannot be used in alcoholic beverage sales, packages, presentation and promotions.

c) Implementations cannot be executed to create a connection between sports clubs and teams, including corporate organizations and sports content activities, events and services and alcoholic beverage brands. Names, logos, emblems and signs resembling alcoholic beverage brands cannot be used in sports club and team name and advertisement.

d) Alcoholic beverage brands and elements that resemble alcoholic beverage brands cannot be used in activities aiming at youth and children or within their field of interest and in advertisement of these events or at activity locations and sales and presentations cannot be executed in these activities.

e) Contents that associate drinking alcoholic beverages with special occasions cannot be used in alcoholic beverage advertisements by underlining individual or social special occasions.

f) The target audience cannot be selected as youth and children in alcoholic beverage advertisements, young people, children or other individuals that resemble or made resemble such image even though they are not in classification of youth and children cannot be used in alcoholic beverage advertisements.

g) In alcoholic beverage advertisements, it cannot be emphasized that alcohol consumption increases sportive achievements.

g) If alcoholic beverages are advertised through or during movies at theaters, such advertisements can only be broadcasted during movies classified as (18+) by the Ministry of Culture and Tourism.

h) Apart from publications exclusive for alcoholic beverage advertisement; in case advertisement is made through newspapers, magazines, brochures, catalogues, announcements and other print media and electronic communication tools, alcoholic beverage advertisements cannot take place on pages, attachments, programs and sections arranged for youth and children, sports pages, covers, first and last pages of these publications

i) Alcoholic beverages cannot be advertised along with activities requiring a high level of skill, attention or concentration.

i) In alcoholic beverage advertisements, contents that associate alcoholic beverage consumption with driving cannot be used.

j) In alcoholic beverage advertisements, contents that indicate alcoholic beverages include healing, stimulating, relaxing, strengthening and advantageous affects cannot be used.

k) In alcoholic beverage advertisements, themes that indicate alcoholic beverages can solve personal problems or include medical protective effect cannot be used.

l) In alcoholic beverage advertisements, it cannot be indicated that not consuming alcoholic beverages is a mental and social deficiency.

m) In alcoholic beverage advertisements, no content that negatively affect quitting, diminishing or never using alcohol can be used.

n) In alcoholic beverages, not consuming alcohol cannot be indicated as a weakness.

o) In alcoholic beverage advertisements, the alcohol levels of beverages are indicated accurately not to mislead consumers; no message can be given to associate the quality of the alcoholic beverage with its alcohol level.

ö) Accurate, clear and understandable Turkish language is used in alcoholic beverage advertisements, slang cannot be used, misleading meanings of statements or words that may be interpreted in various ways.

p) In alcoholic beverage advertisement, no message can be given that consuming alcohol is a symbol of status.

r) In alcoholic beverage advertisement, no message can be given that consuming alcohol is a symbol of adulthood.

r) In alcoholic beverage advertisement, no message can be given that consuming alcohol has an effect of quenching thirst.

ş) In alcoholic beverage advertisements, no individuals, characters or groups can take place that act or can act as a role model for youth and children explicitly or implicitly for reasons such as achieving a special kind of success in any field, earning public trust, cooperation with charities, engaging in activities for youth and children or being famous to the press.

t) Alcoholic beverage advertisements cannot include sexual abuse and pornographic statements or visuals.

u) In alcoholic beverage advertisements, no content can be used to suggest alcoholic beverage is a supplementary part of consumption of other food products.

CHAPTER FOUR

Audits, Sanctions, Miscellaneous and Final Provisions

SECTION ONE

Audits and Sanctions

Audit

ARTICLE 25 – (1) Real persons or legal entities that manufacture, market or sell products or services in tobacco products and alcoholic beverages sector can be inspected and audited by the Authority, civilian authorities and other public institutions and organizations within the framework of legislation for the products and associated activities. Violating conditions against the Authority legislation and transactions for such discrepancies identified during inspections and audits executed by entities other than the Authority are notified to the Authority and/or authorized entities.

(2) Real persons and legal entities that manufacture, market and sell products or services in tobacco products and alcoholic beverages cannot prevent such inspections and audits. These individuals are required to present all kinds of information and documents requested and required by individuals commission and/or authorized for inspection and audit. In case such information and documents are requested in written, they are required to be submitted in due time following the notification date.

(3) In audits for uncertified sales, the individuals declaring to have sales certificates are required to submit the sales certificate that should be available at the workplace and the document that is validated with time extension every year. In case of failure of presentation of the document, the individual inquired over the internet page of the Authority is determined to be engaged in uncertified sales if the sales certificate obtained for the related workplace is not active.

Sanctions and other provisions to be implemented after sanctions

ARTICLE 26 – (1) In case it is determined this Regulation or other arrangements determined by the related legislation are violated, depending on the nature of the violating act, criminal complaint is filed to judicial authorities as per the legislation and/or administrative sanctions are imposed.

(2) Apart from the misdemeanor acts and acts in criminal extent as per Clause 5 of Article 8 of the Law numbered 4733 and dated 3/1/2002; in case it is determined that the Law numbered 4733 and dated 3/1/2002 and the Law numbered 4250 and dated 8/6/1942 or regulations enforced as per these laws and the provisions in the documents issued by the Authority are violated;

a) The related real and legal entities are warned in written and a reasonable period of time is granted for elimination of violation. The period of time to be granted for transactions not defined in this Regulation is determined by the Authority.

b) In case such violation continues at the end of the period or it is not possible to eliminate the violation; the Authority cancels the sales certificate issued for the violating workplace of the concerned real or legal entities without granting another period of time.

c) Applications for new certificates of real and legal entities whose sales certificates have been cancelled under this clause cannot be evaluated before thirty days.

(3) In administrative sanctions imposed as per Clause 5 of Article 8 of the Law numbered 4733 and dated 3/1/2002;

a) If the actions identified in paragraphs (a), (b), (d), (e), (f), (j), (k), (l), (m) and (n) of Clause 5 of Article 8 of the Law numbered 4733 and dated 3/1/2002 are executed for three times in five years following the first occurrence of such action, the documents are cancelled.

b) If such actions of real and legal entities, for whom more than one sales certificates have been issued, are not directed for a specific workplace but cover all workplaces of the concerned individual, all of the sales certificates obtained from the Authority; otherwise, the sales certificate issued for the violating workplace is cancelled.

c) Real persons and legal entities whose sales certificates have been cancelled as per this paragraph cannot obtain a new sales certificate for the concerned workplaces, whose certificates have been cancelled, for two years following the date of cancellation.

ç) Real persons and legal entities who applied for operations at the same address and under the same operation name at the workplace whose sales certificate has been cancelled for actions identified in this clause, cannot obtain sales certificates for two years following the date of cancellation.

d) In case it is determined that the workplace whose certificate has been cancelled for actions in this clause are actively operated by real persons or legal entity sellers whose sales certificates have been cancelled under a different company name, even if it is registered to the name of real or legal third persons; the concerned third persons cannot

obtain sales certificated for two years for the concerned workplace.

e) Local civilian authorities are authorized to execute the administrative sanction about actions identified in paragraphs f), (g), (h), (i) and (j) of Clause 5 of Article 8 of Law numbered 4733 and dated 3/1/2002 and to decide transfer of possession of all kinds of commodities that constitute the subject of these actions to public assets and the Authority is authorized to impose administrative fine for the actions identified in other paragraphs.

(4) Individuals whose litigation is continuing due to violation of the Law numbered 4733 and dated 3/1/2002, Law numbered 4250 and dated 8/6/1942 or the Anti Smuggling Law numbered 5607 and dated 21/3/2007, who have been imprisoned or against whom public actions have not been filed or dismissed due to having more than two prepayments due to violation against the same laws cannot be granted with sales, distribution or compliance certificates and those already have been issued are cancelled.

(5) Violations that occurred at warehouses are considered to have occurred at the workplace.

(6) In case it is notified or determined that business licenses and operating licenses and licenses and permissions granted for bulk alcoholic beverage sellers by competent authorities have been cancelled, the sales certificates issued by the Authority are also cancelled.

(7) In case violation of provisions set forth in articles 17, 18, 21, 22 and 23 is detected and the concerned violation has been executed for twice, sellers are warned in written and a period of fifteen days is granted for elimination of violation. In case it is determined that the concerned violation has not been eliminated at the end of this period, other administrative sanctions are imposed.

The transfer of authority:

ARTICLE 27 – (1) Protocols can be signed, within the scope of additional Article 1 of the Law, Law No. 4733, dated January 3, 2002 on behalf of the Authority by means of transferring authority regarding the supervision subjected to the provisions of this Regulation and transactions for assigning period in order to resolve the detected violation along with the execution of the application of administrative cash fine. The public authority and institution shall perform the supervisions basing on the provisions of this Regulation, apply administrative sanctions and the one who pursue the transaction shall inform the Authority.

The situations that are not within the Regulation

ARTICLE 28 – (1) Relevant alternative legislation provisions shall be applied, in case there is no provision in this Regulation.

The abolished Regulation

ARTICLE 29 – (1) Regulation on Wholesale and Retail Sales and Sale Documents of Tobacco Products, Alcohol Documents of Tobacco Products, Alcohol and Alcoholic Beverages published in the Official Gazette dated December 31, 2002, No. 24980, is abolished.

The document applications made before the enforcement

TEMPORARY ARTICLE 1- (1) The applications of sales documents which are made until the enforcement date of Article 12, shall be concluded in line with Article 5 and 6 of the Regulation on Wholesale and Retail Sales and

Sale Documents of Tobacco Products, Alcohol and Alcoholic Beverages published in the Official Gazette dated December 31, 2002 Nr. 24980.

The sales documents given before the enforcement

TEMPORARY ARTICLE 2-(1) The procedures and principles concerning the transactions in time extension of the year 2011 together with the validity period of the sales documents given before the enforcement of this Regulation and still effective, shall be determined by the decision of the Authority after the enforcement date of this Regulation.

The contradiction situation regarding the operation or workplace of whom obtained the sales document before the enforcement

TEMPORARY ARTICLE 3 – (1) Without prejudice to situations that necessitate an immediate application of judicial/administrative sanctions in cases where there are apparent violations on provisions hold by related laws; it is necessary to adapt the stated points in accordance with this Regulation within 6 months as of the enforcement date of this Regulation.

(2) It is compulsory to resolve the violation of the points stated in the items (c) and (ç) of the second paragraph of Article 24, within a year as of the enforcement date of this Regulation.

Alcohol sale

TEMPORARY ARTICLE 4 – (1) Packaged ethyl alcohol for general purpose and alcohol for domestic use directed to the usage of ultimate consumer, shall be sold within the scope of the provisions of this Regulation by persons provided with the alcoholic beverages wholesale document and alcoholic beverages retail sale document until a private regulation on such products have been made.

Electronic Signature

TEMPORARY ARTICLE 5 – The electronic signature application which is hold by the first paragraph of Article 12 starts when the necessary infrastructure is completed by the Authority.

Effect

ARTICLE 30 – (1) The provision of this regulation shall enter into effect on the date of its publication, except for Article 12 which shall enter into effect after ninety days from the date of publication.

Enforcement

ARTICLE 31 – (1) The provisions of this regulation shall be enforced by the Chairman of Tobacco and Alcohol Market Regulatory Authority.