

Qeyri-rəsmi tərcümə

Affirmed with the Decree number 222 of
the President of the Republic of Azerbaijan
dated to July 30, 2018

**CHARTER of
Intellectual Property Agency of the Republic of Azerbaijan**

1. General Provisions

1.1. Intellectual Property Agency of the Republic of Azerbaijan (hereinafter - Agency) is the legal entity of public law that has been created according to the second part of the Decree of President of the Republic of Azerbaijan dated to April 20, 2018 number 5 “on Measures for improvement of management in the field of control over consumer market, standardization, metrology and protection of intellectual property objects”, providing development of the field of copyrights, related rights, rights to compilations of data and topographies of integrated circuits, rights to inventions, utility models, industrial designs, trademarks and geographical indications, rights to Azerbaijani folklore expressions (traditional cultural expressions), traditional knowledge and other expressions of intangible cultural heritage (hereinafter – intellectual property rights) implementing single regulation and control and coordinating activity in this field.

1.2. Agency is guided in its activity the Constitution of the Republic of Azerbaijan, the laws of the Republic of Azerbaijan, other Decrees and Orders of the President of the Republic of Azerbaijan, the Decisions and Orders of the Cabinet of Ministers of the Republic of Azerbaijan and other normative-legal acts.

1.3. While carrying out its duties and implementing its rights, the Agency acts in mutual coordination with state and local self-governmental bodies, international and non-governmental organizations, other legal and physical entities.

1.4. Agency shall be engaged in activity that has state and public importance.

1.5. Agency shall have independent balance, property, treasury and bank accounts, stamp with its name etched on it, relevant stamps and blanks.

1.6.

According to the Law, Agency possesses rights and duties to deal, to get and carry out property and non-property rights on its behalf. Agency acts as a claimant or defendant at the court.

1.7. For the provision of services related to the registration of the relevant legal facts provided by the Law of the Republic of Azerbaijan "on State duty" (for legal actions) employees of Agency are equated to civil servants.

1.8. Agency is situated in Baku.

2. Goal and directions of Agency's activity

2.1. The goal of the Agency's activity is to ensure the effective functioning, sustainable development and transparency of intellectual property rights field in the Republic of Azerbaijan, to protect the rights of intellectual property rights holders, to enhance the knowledge and impact on information society in the indicated field and to take the lead principles and standards in the field of intellectual property rights when performing activities determined in this Charter.

2.2. Directions of Agency's activity are following:

2.2.1. to participate in the formation of a single state policy in the field of intellectual property rights and to ensure the implementation of this policy;

2.2.2. to implement the regulation in the field of intellectual property rights and to exercise control over compliance with the current legislation;

2.2.3. to ensure legal protection of intellectual property rights, to prevent their misappropriation and infringements regarding their use and to take relevant measures regarding this;

2.2.4. to ensure realization of intellectual property rights;

2.2.5. to carry out examination of the claimed documents in accordance with legislation and state registration of intellectual property objects, to submit protection documents and publish relevant information, to establish national information system on right holders and users and to take relevant measures for regularly improvement of that system;

2.2.6. to carry out regulation and control in the field of collective management of rights to keep record (accreditation) of state registered collective management organizations to ensure attestation and registration of patent attorneys;

2.2.7. to organize the protection and management of intellectual property rights in digital networks with the aim of supporting the development of information society, including digital information technology and e-commerce;

2.2.8. to take measures for improving role of intellectual property in modern economy, for improving investment environment in economy based to copyright (creative economy), for commercialization of intellectual activity results and for determination of share of creative economy in country's GDP, also for creation of infrastructure of technology transfer, innovation support and commercialization;

2.2.9. to take measures related to the formation of the intellectual property policy in higher education and research institutions, the support of commercialization of intellectual activity results and innovative technologies, as well as the creation of infrastructure for commercialization and transfer of technologies;

2.2.10. to ensure development of intellectual property rights field, also to realize international exchange and cooperation in this field;

2.2.11. to participate in forming of intellectual property rights culture.

3. Duties and rights of Agency

3.1. In accordance with the directions of activities defined by this Charter, the Agency's duties are following:

3.1.1. to participate in preparation and implementation of legislative acts, development concepts, aimed programs in the field of intellectual property rights;

3.1.2. to develop proposals on improvement of legislative acts taking into consideration the international treaties in the field of intellectual property rights to which Republic of Azerbaijan is a party;

3.1.3. to analyze cultural, social and economic role of intellectual property rights, to develop proposals on development of intellectual property rights field and to present to the corresponding bodies;

3.1.4. to coordinate the activity of central and local executive powers, local self-governing bodies, public unions including collective management organizations and other legal entities (right holders and users), also patent attorneys in the sphere of intellectual property rights;

3.1.5. to take measures for providing quality and efficient service to right holders;

3.1.6. to ensure fulfillment of the commitments undertaken by the Republic of Azerbaijan on matters within the competence of the Agency regulated by international agreements of the Republic of Azerbaijan;

3.1.7. to take measures on taking into consideration of decisions and recommendations of World Intellectual Property Organization and UNESCO connected with intellectual property in this field, to reply questionnaires of international organizations on intellectual property, to exchange experience with them, to implement systemized analyses taking into account the international experience and to take measures;

3.1.8. to arise the question to the international organizations on protection of rights during illegal use of Azerbaijani authors' and right holders' works, Azerbaijani folklore expressions (traditional cultural expressions), traditional knowledge and other expressions of intangible cultural heritage, other objects of intellectual property rights in abroad and to take relevant measures, also to give proposals on taking measures connected with following the demands of legislation during use of foreign authors' works in the Republic of Azerbaijan;

3.1.9. to publish books, brochures about belonging to Azerbaijan people of folklore expressions (traditional cultural expressions), traditional knowledge and other

expressions of intangible cultural heritage, to prepare different propaganda means, to organize international conferences, seminars, round tables;

3.1.10. To participate in the formation of pricing policy (including determining the amount of annual fee payable by collective management organizations) on issues related to the field of activity of the Agency;

3.1.11. to ensure legal protection of intellectual property rights, to hear petitions on their recognition and to adopt relevant decisions in accordance with legislation, as well as to organize examination regarding determination of originality of copyright and related rights objects, data bases and topographies of integrated circuits (for aims of this Charter – copyright objects), Azerbaijani folklore expressions (traditional cultural expressions), traditional knowledge and other expressions of intangible cultural heritage;

3.1.12. to organize state registration of copyright objects, to include information on copyright objects and right holders, to issue relevant certificate on state registration to right holders of registered copyright objects, to ensure accounting, inventory and storage of those objects;

3.1.13. to register documents on assignment or transfer of rights and to include relevant changes in state registry, to publish information on registration of copyright objects included in state registry;

3.1.14. to organize examination of application documents on inventions, utility models, industrial designs, trademarks and geographical indications (for aims of this Charter – industrial property objects), to provide registration of industrial property rights, to issue patent or certificate, to take relevant measures in order to keep them in force, to carry out state registration of industrial property objects and to publish information included in state registry on those objects;

3.1.15. to carry out examination of notifications (applications) of the trademarks submitted by the International Bureau of the World Intellectual Property Organization for the recognition in the territory of the Republic of Azerbaijan in accordance with international agreements to which the Republic of Azerbaijan is a party, and to ensure

that the decisions made as a result of the examination are sent to the International Bureau in accordance with the terms of the international agreement;

3.1.16. to accept of applications for protection of industrial property objects through international and regional systems in accordance with international agreements to which the Republic of Azerbaijan is a party, and to ensure that they are sent to the Eurasian Patent Office or to the International Bureau after having examined them through the Office under the Agency;

3.1.17. to ensure state registration of Azerbaijani folklore expressions (traditional cultural expressions), traditional knowledge and other expressions of intangible cultural heritage, to include information on those registered objects in established national information system in the field of intellectual property, to regularly improve electronic database on their source, geographic name of their source and nation (society) they belong to and to provide update of electronic copy of state registries;

3.1.18. to register application on industrial property objects (except for geographical indications) or agreements on assignment of rights on those registered industrial property rights to other persons, license agreements on assignment of rights to use them and pledge agreements in accordance with legislation, and to include relevant information on them in state register and protection documents;

3.1.19. to provide extracts from state register of trademarks and geographical indications, to give necessary information on state registered copyright objects changes made to state register and copyright objects of which term of protection has expired, also on registration of those objects at Agency according to the request of relevant bodies;

3.1.20. to determine the beginning term of the protection of topography of integrated circuits presented for registration and registers topographies of integrated circuits used in production and their users;

3.1.21. to review applications on recognition of rights of initial users of inventions, utility models and industrial designs and to adopt relevant decision;

3.1.22. to permit physical and legal entities of other states to use Azerbaijani folklore expressions (traditional cultural expressions) beyond the borders of the Republic of Azerbaijan for commercial purpose;

3.1.23. to control broadcasting, publishing, public performance and other uses of Azerbaijani folklore expressions (traditional cultural expressions) in sales, broadcasting objects, public performance locations, cablecasting and broadcasting organizations and digital networks, to determine cases of illegal use, to take relevant measures, to defend the interests of the state in the court regarding this and to identify amount of damage caused by infringements;

3.1.24. to determine whether the data collections submitted for registration should be protected by copyright and (or) special protection rights under the relevant criteria, to specify term of protection of these collections in case of disclosure of undisclosed data collection which is officially registered and protected by special protection right, also in case important changings are made to data collection protected by special protection right;

3.1.25. to determine and register the copyright and related rights objects of which term of protection has expired and has transferred to public domain, for the purpose of transferring the works to the state domain, to make proposals on choosing the works among the works that have transferred to public domain and for declaring them as state domain by agreeing with connected state bodies and creativity unions;

3.1.26. to take relevant measures in case of infringement of copyrights and against their distortion during use of the works transferred to the state domain, to provide collecting a special payment for use of the works declared the state domain and transferring them to the state budget;

3.1.27. to carry out attestation and registration of patent attorneys, to publish information about this in its official web page, to establish an Appeal Board for the protection of industrial property objects, as well as disputes arising out of attestation, registration and activities of patent attorneys and to ensure its activity;

3.1.28. to perform registration (accreditation) of state registered collective management organizations, to control their activity, to make proposals regarding those organizations activity;

3.1.29. to determine list and submitting form of documents demanded for registration (accreditation) of collective management organization at Agency, to present them properly when there are reasonable grounds and proposals for the registration (accreditation) of those organizations;

3.1.30. to regulate disputable relationships between authors and other rights holders and collective management organizations, to hear appeals of authors and other right holders representing public unions of those organizations;

3.1.31. to demand stopping the acts and canceling the decisions in cases discovering giving for use of authors' works that not given their property rights to the collective management organizations and adopted decisions on fee allocation for the authors which are contrary to the authors' interests;

3.1.32. to cancel registration (accreditation) of collective management organizations of in cases specified by law;

3.1.33. to manage collective management of rights of authors and other right holders in areas where collective management organizations are not functioning, in this case to collect royalty for use accordingly and to deliver to right holders, to provide establishing relations with the relevant organizations on the collective management of property rights of authors and other rights holders of foreign countries, concluding agreements on cooperation in this field, receiving and delivering by relevance remuneration for use of works and related rights objects of Azerbaijani authors and other right holders abroad;

3.1.34. to conduct legal awareness activities in the field of intellectual property rights, to hold international and national seminars, disputes and workshops, to provide legal advice on restoration of infringed rights to authors and other rights holders;

3.1.35. to take measures against the illegal use of intellectual property objects and piracy in order to ensure the principles of healthy competition in the use of intellectual

property objects, to safeguard the interests of persons engaged in industrial property based on intellectual property;

3.1.36. to organize and carry out activities on granting international standard identification numbers to books, notes, periodicals, audiovisual works and audio-video recordings issued in the territory of the Republic of Azerbaijan, to provide preparation of control marks for sticking them on copies of copyright and related rights objects (audiovisual work, phonogram, computer software, database, a book) and to give them to the users, to control their spreading by sticking control marks, to carry out state registry of these objects, to determine legality of creation of those copies;

3.1.37. to take measures in accordance with the Code of Administrative Offenses of the Republic of Azerbaijan when revealing signs of administrative offence in the field of intellectual property rights, and to give information by relevance when there are any signs of crime;

3.1.38. to control the use of authors', performers' and phonogram producers' economic rights on digital networks, to take measures for the purpose of making responsibility in case of changing and cancelling the information about management of rights without permission of the right holder, illegal destroying of the technical protection means providing limitations put to the use of the rights, also stopping use of informational reserves belonging to them;

3.1.39. to take measures related to the establishment and use of digital rights management system based on the "one-stop-shop" format and online permits for the use of objects protected by intellectual property rights on the global digital network;

3.1.40. under right holders' initiative and in other demanded cases for restoration of the infringing rights, to present claims in corresponding courts and to defend right holders' interests, to prepare expert views on the basis of questionnaire of corresponding state and court bodies, to participate as an expert and representative in courts and events held by other authorized bodies, to register and analyze the activities connected with infringements of the legislation in the copyright sphere, to systematize collected information;

3.1.41. to carry out monitoring of use of legally protected intellectual property rights objects on global digital networks, to prepare references and to submit them to competent bodies;

3.1.42. to make proposals with the aim of improvement of the protection of rights to intellectual property rights objects in the Law on electronic trade and to take appropriate measures;

3.1.43. to permanently monitor the economic indicators of national economy based on intellectual property rights, to determine the problems occurring during their development, to work on promoting the creation of national brands, to develop proposals for improving mechanisms for the commercialization of intellectual activity results, to carry out relevant activities in order to more accurately evaluate the share of industrial property in GDP, to monitor our country's rating in international rankings regarding intellectual activity results, to conduct analyzes and to develop proposals;

3.1.44. to organize trainings, roundtables for investors, investing in intellectual activity results in order to improve the role of intellectual property in the modern economy and improving the investment climate in the copyright-based economy (creative economy), to provide them with legal advice on the enforcement of intellectual property rights;

3.1.45. to establish link, mutual order and offer relationships between science and industry, to participate in the creation and development of proposals for technology transfer and innovation support centers, infrastructure of intellectual activity results commercialization (commercialization centers and establishments) for enhancing the quality of inventive activities and applying them;

3.1.46. to assist in the formation of intellectual property policy in higher education and R&D institutions by providing publications to the intellectual property units of those institutions and through trainings;

3.1.47. to work on stimulating the creation of start-up projects that promote commercialization of higher education and R&D institutions and commercialization of innovative technologies;

3.1.48. to work on promoting the use of the Patent Cooperation Treaty (PCT) system to obtain patents for intellectual activity results obtained at scientific research, research and development centers;

3.1.49. to provide methodological assistance to physical persons and legal entities in assessing intellectual property assets;

3.1.50. to work in the direction of economic evaluation of the damage arising from intellectual property rights infringement;

3.1.51. to cooperate with custom bodies in determining the infringements of intellectual property rights of goods containing intellectual property objects and moved through customs border, to summarize such facts in cooperation with them, to give reviews on infringements of intellectual property rights, on the basis of request of custom bodies;

3.1.52. to participate in implementation of identification of the goods containing intellectual property objects in custom border in cooperation with custom body on the basis of their inquiry for determining infringements of the rights on intellectual property objects, to make proposals for inclusion the goods containing intellectual property objects to register by customs body;

3.1.53. to analyze international and national technologies protected by intellectual property rights, to observe protection status of information technologies as intellectual property rights objects and to investigate its protection status on national level, to take measures for adaptation to the international standards of their protection and to make proposals on protection of new information technologies objects;

3.1.54. to create national information system in the field of intellectual property rights, to provide its functionality and international exchange, to improve the electronic database on registered intellectual property rights and their rights holders and to ensure the update of electronic copies of state registries, to create an automated system of data bank for objects of industrial property and to regularly upgrade it, to carry out the necessary activities in the field of completing the patent fund;

3.1.55. to arrange uninterrupted receipt, processing and transmission of information within the internal information-communication system of the Agency;

3.1.56. Developing links with the Global Network of Intellectual Property Academies of the World Intellectual Property Organization through the organization under its subordination, organizing information exchange and preparing information about innovations using the Global Network digital libraries;

3.1.57. to coordinate activity of state authorities and bodies, local self-government bodies, legal entities and physical persons in the field of intellectual property rights, to take action with the aim of preparation of professional recommendations and reviews related with intellectual property for them;

3.1.58. to organize electronic services in the field of intellectual property rights in accordance with Decree number 429 of the President of the Republic of Azerbaijan dated 23rd May 2011 "on Some measures in the field of organizing electronic services rendered by state bodies and legal entities of public law established by the President of the Republic of Azerbaijan";

3.1.59. to look into the incoming appeals regarding activity of Agency in accordance with the laws of the Republic of Azerbaijan "on Citizens' appeals", "on Administrative proceedings" and "on Access to information" , and to take measures in accordance with Law;

3.1.60. to organize clerical work and the reception of citizens in accordance with the requirements of relevant normative legal acts, to take measures for additional education and increasing professionalism of Agency staff;

3.1.61. to provide apply of information system in the field of intellectual property, raising awareness of society about its activity, creation of web page, location of information it has and which has to be disclosed and of which list is determined in accordance with the Law "on Access to information" of the Republic of Azerbaijan and constantly update of this information;

3.1.62. to provide effective use of budget, loan, grant and other financial resources allocated to the Agency;

3.1.63. to take measures to protect the state and commercial secrets, as well as the confidentiality regime;

3.1.64. to organize information security of the Agency and to ensure its security;

3.1.65. to take measures for improvement of its structure and activity;

3.1.66. to ensure the application of scientific and technical achievements in the field of intellectual property rights, taking into account advanced international experience;

3.1.67. to make proposals for the preparation of professional experts in the field of intellectual property rights and curriculum development and to participate in their implementation;

3.1.68. to implement other duties defined by acts of the President of the Republic of Azerbaijan.

3.2. The Agency has the following rights to implement its duties::

3.2.1. to make proposal by relevance on adoption of draft normative legal act, making changes on act, comment on the act, suspension or annulment of the act;

3.2.2. to make proposals on becoming party to international agreements in the field of intellectual property by the Republic of Azerbaijan;

3.2.3. to cooperate with international organizations, relevant government authorities (bodies) of foreign countries to study the possibilities of applying international experience, to study relevant experience of foreign states;

3.2.4. to conduct inspections within the framework of control over the field of intellectual property rights, to give mandatory executions and to take other measures;

3.2.5. to receive state duty for rendering relevant services (for carrying out legal actions) determined in the Law "on State duty" of the Republic of Azerbaijan in accordance with the procedure and amount determined by that Law, also other payments in cases specified by law;

3.2.6. to obtain the part of the state duty determined by the President of the Republic of Azerbaijan;

3.2.7. to make comments on intellectual property field based on contracts with physical persons and legal entities, to do other works and to provide services;

3.2.8. to investigate issues related to its activity directions, to create working groups and commissions;

3.2.9. to make a request about the necessary information (documents) to state authorities and bodies, local self-government bodies, legal entities and physical persons and obtaining such information (documents) from them;

3.2.10. to give opinions and suggestions on activity directions, to carry out analyzes and generalizations, to prepare analytic materials;

3.2.11. to involve independent experts and specialists in its activity in accordance with legislation;

3.2.12. to organize conferences, meetings, seminars and other events on issues related to its activity directions;

3.2.13. to present employees for state awards and other awards, and to take measures to encourage them;

3.2.14. to organize trainings for increasing level of employees' professionalism on refinement and other directions;

3.2.15. to issue special bulletins and other publications;

3.2.16. to exercise other rights defined by acts of the President of the Republic of Azerbaijan.

4. Governance of Agency

4.1. Agency shall apply progressive corporate governance standards in its activity and governance.

4.2. Governing body of Agency is Board.

4.3. The Board carries out general management and control of the Agency. Composition of the Board consists of 3 persons: - Chairman of Board, appointed and dismissed by the President of the Republic of Azerbaijan, and other 2 Members of Board appointed and dismissed by the Cabinet of Ministers of the Republic of Azerbaijan in coordination with the President of the Republic of Azerbaijan.

4.4. In temporary absence of the Chairman of Board, his powers are exercised by the person appointed by the Chairman among the Members of Board.

4.5. Duties of Board are following:

- 4.5.1. to organize activity of Agency;
- 4.5.2. to determine development directions, strategic goals and plans of Agency;
- 4.5.3. to submit proposals and to submit documents (including financial report and annual activity report of Agency) to the President of the Republic of Azerbaijan and the Cabinet of Ministers of the Republic of Azerbaijan, respectively, to exercise the powers of the founder;
- 4.5.4. to approve the Agency's financial planning and budget;
- 4.5.5. to monitor the activities of Agency;
- 4.5.6. to monitor implementation of strategic goals and plans, also budget of the Agency;
- 4.5.7. to approve the Agency's wage fund and salaries of its employees, taking into account paragraph 5.8 of this Charter, to determine the system of encouragement for employees to be paid additionally thanking to the funds earned by the Agency (except for the funds allocated from the state budget and other funds belonging to the state);
- 4.5.8. to make decision on the establishment of the Agency's offices, branches and representations with the consent of the Cabinet of Ministers of the Republic of Azerbaijan;
- 4.5.9. to approve of the number of employees of the legal entity of public law under the Agency;
- 4.5.10. to approve the internal rules (including procedure for excluding conflicts of interest) of the Agency, as well as the regulations of the offices, branches and representations;
- 4.5.11. to take measures for solution of issues provided for in paragraph 3.1.1 and paragraph 3.2.1 of this Charter;
- 4.5.12. to hear annual report on Agency's activity;
- 4.5.13. to appoint an external auditor of the Agency and to accept an audit report;
- 4.5.14. to take measures on the results of monitoring of external auditor, also other monitoring;

4.5.15. with a consent of the Cabinet of Ministers of the Republic of Azerbaijan, to make a decision on signing a deal (deal of special importance) of more than 25 percent of the value of the net assets of the Agency and 5 percent and more of the value of the assets of the Agency with concerned person;

4.5.16. to make a decision on signing a deal of up to 5% of the value of the assets of the Agency with concerned person;

4.5.17. to ensure the effective utilization of the funds provided for under paragraph 3.1.62 of this Charter;

4.5.18. to hear appeals of members of Board and to make decision;

4.5.19. to make decision on all other issues not related with competence of Chairman of Board.

4.6. Meetings of Board shall be called at least once a month. Member of Board shall initiate the meeting of Board. Meetings of Board shall be competent on condition that all the Members of Board participate (excluding the condition provided for in second sentence of paragraph 4.7 of this Charter). Meetings of the Board shall be recorded accordingly and decisions on the discussed issues shall be made. At the meeting of Board, decisions are made by a simple majority of votes, each member having one vote. Members are not allowed to remain neutral during the voting. When the number of votes is equal, the voice of the Chairman of Board (or other member replacing him) is decisive.

4.7. Members of Board shall be provided with written information about the place and time of the meeting, as well as issues included in the agenda at least 3 (three) working days prior to the meeting with addition of the necessary documents. If the matter concerns the interests of any Member of Board, the member should provide detailed information his interests on the matter, and should not participate in the voting on that matter. Decision on any issues not included in the agenda or required by the agenda before the meeting cannot be made except in cases where all participating members agree.

4.8. Chairman of Board:

4.8.1. shall lead current activity of Agency and represents it;

4.8.2. shall organize activity of Board, determine agenda of meetings of Board and chair meeting of Board;

4.8.3. shall call meetings of Board on his own initiative or on initiative of other Member of Board;

4.8.4. on his own initiative or on the request of any Member of Board shall invite other persons to participate at the meeting of the Board;

4.8.5. shall give mandatory internal order and commands regarding organization of Agency's activity;

4.8.6. shall organize, check and monitor the implementation of acts adopted regarding activity directions of the Agency;

4.8.7. shall cancel the decisions of the Agency's officials contrary to the legislation;

4.8.8. shall affirm the structure, staffing table and cost estimate of the Agency's Staff and other structural units within the defined structure, salary fund and number of employees;

4.8.9. shall organize payment of salaries, additions to salaries, bonuses and other payments of employees of Agency within salary fund;

4.8.10. with the exception of cases determined by this Charter shall take decisions on the appointment and dismissal of the employees of Agency, including its offices, branches and representations, as well as employees of other subordinate organizations, on incitement and disciplinary action;

4.8.11. Shall controls the use of the Agency's property in accordance with the objectives set out in this Charter;

4.8.12. within the scope of competences as defined in this Charter shall perform operations, conclude contracts and ensure their implementation on behalf of the Agency;

4.8.13. shall create commissions and working groups regarding activity directions of Agency;

4.8.14. shall take the necessary measures for the protection of state secrets and confidentiality regimes on activity directions of the Agency, as well as other information protected by law;

4.8.15. shall provide clerical and archive issues at the Agency;

4.8.16. shall provide the consideration of appeals and the reception of citizens at the Agency.

4.9. Members of Board:

4.9.1. shall participate in the settlement of issues related to the competence of the Board;

4.9.2. shall be familiarized with the agenda of the meeting of the Board and the materials considered to be heard;

4.9.3. shall express their views on the decisions of Board to be made;

4.9.4. shall make suggestions to consider matters within the competence of the Board at its meetings;

4.9.5. shall meet decisions, meeting protocols and other documents of Board.

4.10. Members of the Board should be impartial to the issues discussed at its meetings and should not allow actions and speeches that may damage the reputation of Member of Board, as well as fulfill other requirements set out in Article 49 of the Civil Code of the Republic of Azerbaijan.

5. Charter fund, property and financial basis of the Agency

5.1. Initial charter fund of Agency is 5 000 000 (five million) Manats.

5.2. The property of the Agency is formed from the charter capital, other property provided by the founder, as well as from the funds allocated from the state budget, from the proceeds, donations, grants, investments attracted and other funds which are not prohibited by law.

5.3. Agency uses its property only for the purposes specified in this Charter. Agency carries out its competence in respect of the state property on the balance of the Agency in the manner prescribed by the relevant legislation.

5.4. Provision of legal protection of Azerbaijani folklore expressions (traditional cultural expressions), traditional knowledge and other expressions of intangible cultural

heritage, prevention of their misappropriation and infringement of rights regarding their use, and taking measures regarding these issues shall be funded from state budget.

5.5. Once the Agency has paid taxes and other mandatory payments provided by law, funds earned from the activities of the Agency, its offices, branches and representations, as well as other subordinate entities shall be directed to the provision of performance of the Agency.

5.6. The Agency implements the state fee for the provision of services (legal actions) provided for by the Law of the Republic of Azerbaijan "on State duty" in the manner and amount established by indicated Law, as well as in cases specified in paragraph 5.7 of this Charter. The portion of state duty determined by the President of the Republic of Azerbaijan which deducted by the Agency shall be transferred to the Agency's account for the purpose of financing the Agency's activities.

5.7. The amount of fees paid to the Agency in cases provided for paragraph 43.1.4 of the Law of the Republic of Azerbaijan "on Copyright and related rights", paragraphs 12.3 and 13.3 of the Law of the Republic of Azerbaijan "on Enforcement of intellectual property rights and fight against piracy", paragraph 6.3 of the Law of the Republic of Azerbaijan "on Legal protection of Azerbaijani folklore expressions", paragraph 39.2 of the Law of the Republic of Azerbaijan "on Patents", paragraph 35.2 of the Republic of Azerbaijan "on Trademarks and geographical indications" shall belong to regulated prices (tariffs).

5.8. Norm of labor compensation and other benefits of Chairman of Board, other members of Board and staff of Agency shall be equated to the norms of compensation and benefits of Heads, Deputy heads and staff of central executive powers of the Republic of Azerbaijan accordingly.

6. Form and scope of control over the activity of Agency

6.1. Control over the activity of the Agency shall be carried out by the President of the Republic of Azerbaijan, within the competence of the founder by the Cabinet of

Ministers of the Republic of Azerbaijan, as well as by the Board in the manner prescribed by this Charter.

6.2. Annual report on the activity of Agency shall be submitted to the President of the Republic of Azerbaijan.

7. Accounting and report at Agency

7.1. Agency shall conduct accounting in the manner specified for legal entities of public law with the Law of the Republic of Azerbaijan "on Accounting", compiles, presents and publishes financial statements.

7.2. The Agency shall keep statistical records, compiles and presents statistical reports in accordance with the Law of the Republic of Azerbaijan "on Official Statistics".

7.3. The Agency shall provide for audits of financial and economic activities of offices, branches and representations, as well as other subordinate entities.

7.4. The Agency shall involve an external auditor for the independent verification of its activity.

8. Liquidation and reorganization of the Agency

The liquidation and reorganization of the Agency shall be carried out by the President of the Republic of Azerbaijan.