Attention! No changes were made to the document dated April 21, 2021 No. ZRU-683 (given in Uzbek)

CIVIL CODE OF THE REPUBLIC OF UZBEKISTAN

dated December 21, 1995 No. 163-I

(As amended by the Laws of the Republic of Uzbekistan dated May 1, 1998 No. 621-I, December 25, 1998 No. 729-I, August 20, 1999 No. 832-I, December 15, 2000 No. 175-II, April 25, 2003 No. 482-II, 30.04.2004 No. 621-II, 27.08.2004 No. 671-II, 04.04.2006 No. ZRU-28, 27.09.2006 No. ZRU-56, 08.01.2007 No. ZRU-77, 16.01.2007 No. ZRU-79, 05.04.2007 No. ZRU-83, 13.04.2007 No. ZRU-91, 14.12.2007 No. ZRU-127, 31.12.2008 No. ZRU-197, 22.09.2009 No. ZRU-223, 17.09.2010 No. ZRU-257, 22.09.2010 No. ZRU-260, 14.05.2014 No. ZRU-372 (show_doc.fwx?rgn=67389) , 11.12.2014 No. ZRU-381 (show_doc.fwx?rgn=71751) , 08.20.2015 No. ZRU-391 (show_doc.fwx?rgn=78724) , 04.25.2016 No. ZRU-405 (show_doc.fwx?rgn=85573) , 04.18.2017 No. ZRU-429 (show_doc.fwx?rgn=96493) , 09.14.2017 No. ZRU-446 (show_doc.fwx?rgn=100686) , 12.30.2017 No. ZRU-455 (show_doc.fwx?rgn=103222) , 09.01.2018 No. ZRU-459 (show_doc.fwx?rgn=103937), 18.04.2018 No. ZRU-476 (show_doc.fwx?rgn=105914) , 26.07.2018 No. ZRU-488 (show_doc.fwx?rgn=109169) , 11.10.2018 No. ZRU-497 (show_doc.fwx?rgn=110628) , 04.03.2019 No. ZRU-526 (show_doc.fwx?rgn=114181) (entered into force on 06.06.2019), 03.20.2019 No. ZRU-531 (show_doc.fwx?rgn=115138) , 05.23.2019 No. ZRU-542 (show_doc.fwx?rgn=115921) , 10.22.2019 No. ZRU-572 (show_doc.fwx?rgn=119978) , 03.12.2019 No. ZRU-586 (show_doc.fwx?rgn=120942) , 11.12.2019 No. ZRU- 592 (show_doc.fwx?rgn=121636) , 14.01.2020 No. ZRU-602 (show_doc.fwx?rgn=122408) , 22.01.2020 No. ZRU-603 (show_doc.fwx?rgn=121985) , 12.10.2021 No. ZRU-721 (show_doc.fwx?rgn=135319) , 29.03.2022 No. ZRU-760 (show_doc.fwx?rgn=139114) , 20.04.2022 No. ZRU- 765 (show_doc.fwx?rgn=139689) , 06/29/2022 No. ZRU-782 (show_doc.fwx?rgn=141676) , 11/07/2022 No. ZRU-801 (show_doc.fwx?rgn=145001))

Part one

Section I. General Provisions

Subsection 1. Basic Provisions

Chapter 1. Civil Legislation

Article 1. Basic Principles of Civil Legislation

Civil legislation is based on the recognition of the equality of participants in the relations it regulates, the inviolability of property, freedom of contract, the inadmissibility of arbitrary interference by anyone in private affairs, the need for the unhindered exercise of civil rights, ensuring the restoration of violated rights, and their judicial protection.

Citizens (individuals) and legal entities acquire and exercise their civil rights by their own will and in their own interest. They are free to establish their rights and obligations on the basis of the contract and to determine any terms of the contract that do not contradict the law.

Goods, services and financial resources move freely throughout the territory of the Republic of Uzbekistan.

Restrictions on the movement of goods and services may be introduced in accordance with the law, if necessary to ensure safety, protect human life and health, protect nature and cultural heritage sites.

(Article 1 was amended in accordance with the Law of the Republic of Uzbekistan dated April 18, 2018 No. ZRU-476 (show_doc.fwx?rgn=105914))
(see previous edition (show_red.fwx?rid=68895#A000000001))

Article 2. Relations regulated by civil law

Civil legislation determines the legal status of participants in civil circulation, the grounds for the emergence and procedure for exercising the right of ownership and other property rights, rights to the results of intellectual activity, regulates contractual and other obligations, as well as other property and related personal non-property relations.

The participants of relations regulated by civil law are citizens, legal entities and the state.

The rules established by civil law apply to relations involving foreign citizens, stateless persons and foreign legal entities, unless otherwise provided by law.

Personal non-property relations and personal relations not related to property relations are regulated by civil law, unless otherwise provided by legislative acts or does not follow from the essence of these relations.

To family, labor relations and relations on the use of natural resources and environmental protection that meet the criteria specified in part one of (show_doc.fwx?rgn=767#B3YB0Z8272) this article, civil law is applied in cases where these relations are not regulated by special legislative acts.

Civil law does not apply to property relations based on the administrative subordination of one party to the other, including tax, financial and other administrative relations, with the exception of cases provided for by law.

Article 3. Acts of civil legislation

The civil legislation consists of this Code, other laws and other legislative acts regulating the relations specified in parts one (show_doc.fwx?rgn=767#B3YB0Z8272) , four (show_doc.fwx?rgn=767#B3YB0Z8TIB) and five of Article 2 of (show_doc.fwx?rgn=767#B3YB0Z928W) this Code.

The norms of civil legislation contained in other laws and other acts of legislation must comply with this Code.

Ministries, departments and other state bodies may issue acts regulating civil relations in cases and within the limits provided for by this Code, other laws and other legislative acts.

Article 4. Operation of civil legislation in time

Acts of civil legislation do not have retroactive effect and apply to relations that have arisen after their entry into force.

The operation of the law extends to relations that arose before its entry into force, only in cases where this is expressly provided for by law.

For relations that arose before the entry into force of an act of civil legislation, it applies to the rights and obligations that arose after its entry into force.

If, after the conclusion of the contract, a law is adopted that establishes rules binding on the parties, other than those that were in force at the conclusion of the contract, the terms of the concluded contract shall remain in force, unless the law establishes that its effect applies to relations arising from previously concluded contracts. .

Article 5. Application of civil legislation by analogy

In cases where the relations provided for by the first , fourth (show_doc.fwx?rgn=767#B3YB0Z8TIB) and fifth (show_doc.fwx?rgn=767#B3YB0Z928W)parts of (show_doc.fwx?rgn=767#B3YB0Z8272) Article 2 of this Code are not directly regulated by the legislation or by agreement of the parties, the norm of civil law governing similar relations (an analogy of the law) is applied. (show_doc.fwx?rgn=767#B3YB0Z8TIB) (show_doc.fwx?rgn=767#B3YB0Z928W)

If it is impossible to use the analogy of the law in these cases, the rights and obligations of the parties are determined on the basis of the general principles and meaning of civil law (analogy of law) and the requirements of good faith, reasonableness and justice.

It is not allowed to apply by analogy the norms restricting civil rights and establishing liability.

Article 6 Local customs and traditions

The custom of business turnover is a rule of conduct that has developed and is widely used in any area of business activity, not provided for by law, regardless of whether it is recorded in any document.

Local customs and traditions apply to relations regulated by civil law in the absence of relevant norms in it.

Business practices, local customs and traditions that are contrary to the norms of legislation binding on the participants in the relevant relationship or the contract do not apply.

Article 7. Civil legislation and international treaties and agreements

If an international treaty or agreement establishes rules other than those provided for by civil law, the rules of the international treaty or agreement shall apply.

Chapter 2. The emergence of civil rights and obligations. Exercise and protection of civil rights

Article 8. Grounds for the emergence of civil rights and obligations

Civil rights and obligations arise from the grounds provided for by law, as well as from the actions of citizens and legal entities, which, although not provided for by it, but by virtue of the general principles and meaning of civil law, give rise to civil rights and obligations.

Civil rights and obligations arise:

1) from contracts and other transactions provided for by law, as well as from contracts and other transactions, although not provided for by law, but not contrary to it;

2) from acts of state bodies or self-government bodies of citizens, which are provided by law as the basis for the emergence of civil rights and obligations;

3) from a court decision that established civil rights and obligations;

4) as a result of the acquisition of property on grounds permitted by law;

5) as a result of creation of works of science, literature, art, inventions and other results of intellectual activity;

6) as a result of causing harm to another person;

7) due to unjust enrichment;

8) due to other actions of citizens and legal entities;

9) as a result of events with which the legislation associates the onset of civil law consequences.

Rights to property subject to state registration arise from the moment of registration of the relevant rights to it, unless otherwise provided by law.

Article 9. Exercise of civil rights

Citizens and legal entities, at their own discretion, dispose of their civil rights, including the right to protect them.

The refusal of citizens and legal entities to exercise their rights does not entail the termination of these rights, except as otherwise provided by law.

The exercise of civil rights must not violate the rights and legally protected interests of other persons. Conscientiousness, reasonableness and fairness of actions of participants in civil legal relations are assumed.

When exercising their rights, citizens and legal entities must respect the moral principles and moral norms of society, and entrepreneurs must also comply with the rules of business ethics.

Actions of citizens and legal entities aimed at causing harm to another person, at the abuse of the right in other forms, as well as at the exercise of the right in contradiction with its purpose, are not allowed.

In case of non-compliance with the requirements provided for by parts three (show_doc.fwx?rgn=767#B3YB0ZAMD4) , four (show_doc.fwx?rgn=767#B3YB0ZAW6P) and five (show_doc.fwx?rgn=767#B3YB0ZB4C3) of this article, the court may refuse to protect the person's right.

Article 10. Judicial protection of civil rights

The protection of civil rights is carried out in accordance with the jurisdiction of cases established by procedural legislation or an agreement, by a court, an economic court or an arbitration court (hereinafter referred to as the court).

Protection of civil rights in the administrative procedure is carried out only in cases provided for by law. An administrative decision may be appealed to a court.

(Article 10 was amended in accordance with the Law of the Republic of Uzbekistan dated September 14, 2017 No. ZRU-446 (show_doc.fwx?rgn=100686))
(see previous edition (show_red.fwx?rid=62494#A000000010))

Article 11. Ways to protect civil rights

Protection of civil rights is carried out by:

recognition of the right;

restoration of the situation that existed before the violation of the right, and suppression of actions that violate the right or create a threat of its violation;

recognition of the transaction as invalid and application of the consequences of its invalidity;

invalidation of an act of a state body or self-government body of citizens;

self-defense rights;

awarding to the performance of duties in kind;

indemnification;

recovery of a penalty;

compensation for moral damage;

termination or change of legal relationship;

non-application by the court of an act of a state body or self-government body of citizens that contradicts the law.

Protection of civil rights may also be carried out in other ways provided by law.

Article 12

An act of a state body or a self-governing body of citizens that does not comply with the law and violates the civil rights and legally protected interests of a citizen or legal entity may be declared invalid by a court.

If the court recognizes the act as invalid, the violated right is subject to protection by the methods provided for in Article 11 of this Code.

Article 13. Self-defense of civil rights

Self-defense of civil rights is allowed.

Methods of self-defence must be proportionate to the violation and not go beyond the limits of the actions necessary to stop it.

Article 14. Compensation for damages

A person whose right has been violated may demand full compensation for the losses caused to him, unless the law or the contract provides for compensation for losses in a smaller amount.

Losses are understood as expenses that a person whose right has been violated has made or will have to make to restore the violated right, loss or damage to his property (real damage), as well as lost income that this person would have received under normal conditions of civil circulation, if his right was not violated (lost profit).

If the person who violated the right received income as a result, then the person whose right was violated has the right to demand compensation, along with other losses, for lost profits in an amount not less than such income.

Article 15

Losses caused to a citizen or legal entity as a result of the adoption of an act that does not comply with the law by a state body or a self-governing body of citizens, as well as illegal actions (inaction) of their officials, are subject to compensation by the state or a self-governing body of citizens. Such losses are compensated at the expense of extra-budgetary funds of the state body or at the expense of the citizens' self-government body.

In case of abolition of a state body or self-government body of citizens, insufficiency of their funds or lack of extra-budgetary funds of a state body or funds of a self-government body of citizens, losses caused to a citizen or legal entity are reimbursed from the State budget of the Republic of Uzbekistan.

By a court decision, compensation for losses may be assigned to officials of state bodies, self-government bodies of citizens, through whose fault the losses were caused.

(The article is presented in a new edition in accordance with the Law of the Republic of Uzbekistan dated 01.22.2020 No. ZRU-603 (show_doc.fwx?rgn=121985))
(see previous edition (show_red.fwx?rid=94439))

Subsection 2 Persons

Chapter 3. Citizens (individuals)

Article 16. The concept of a citizen (natural person)

Citizens (individuals) are citizens of the Republic of Uzbekistan, citizens of other states, as well as stateless persons.

The provisions of this Code apply to all citizens, unless otherwise provided by law.

Article 17. Legal capacity of citizens

The ability to have civil rights and obligations (legal capacity) is recognized equally for all citizens.

The legal capacity of a citizen arises at the moment of his birth and ceases with his death.

Article 18. Content of the legal capacity of citizens

Citizens can:

own property; inherit and bequeath property; have savings in the bank; engage in entrepreneurship, dekhkan (farm) farming and other activities not prohibited by law; use hired labor; create legal entities; make transactions and participate in obligations; claim damages; choose the occupation and place of residence; have the rights of the author of works of science, literature and art, inventions and other legally protected results of intellectual activity.

Citizens may also have other property and personal non-property rights.

Article 19

A citizen acquires and exercises rights and obligations under his own name, including the surname and first name, as well as patronymic, unless otherwise follows from the law or national custom.

In cases and in the manner prescribed by law, a citizen may use a pseudonym (false name).

A citizen has the right to change his name in the manner prescribed by law. A change of a name by a citizen is not a basis for terminating or changing his rights and obligations acquired under the former name.

A citizen is obliged to take the necessary measures to notify his debtors and creditors about the change of his name and bears the risk of consequences caused by the lack of information from these persons about the change of his name.

A citizen who has changed his name has the right to demand that appropriate changes be made at his own expense to documents drawn up in his former name.

The name received by a citizen at birth, as well as a change of name, are subject to registration in the manner established for the registration of acts of civil status.

The acquisition of rights and obligations under the name of another person is not allowed.

Article 20. Name protection

A person whose right to bear his name is disputed or whose interests are violated due to the unauthorized use of his name may require the violator to stop the violation and rebut. If the violation is intentional, the victim may additionally demand compensation for the damage. Income received by the violator may be claimed as compensation. In case of intentional violation, the victim also has the right to compensation for moral damage.

The demands for termination of actions or refutation referred to in the first part of (show_doc.fwx?rgn=767#B3YB0ZBELA) this Article may also be made by a person who is not the bearer of a name or personal honor, but who, due to marital status, has an interest worthy of protection in the termination of actions or in refutation. This person may also seek to comply with the requirements for the protection of the name and honor of another person after his death. Claims for damages for violations of name and honor after death are not recognized.

Article 21. Place of residence of a citizen

The place of residence is the place where a citizen permanently or predominantly resides.

The place of residence of minors under fourteen years of age, or citizens under guardianship, is the place of residence of their legal representatives - parents, adoptive parents or guardians.

Article 22

The ability of a citizen by his actions to acquire and exercise civil rights, create for himself civil duties and fulfill them (capacity) arises in full with the onset of adulthood, that is, upon reaching the age of eighteen.

A citizen legally married before reaching the age of majority acquires legal capacity in full from the time of marriage.

Legal capacity acquired as a result of marriage shall be retained in full even in the event of dissolution of marriage before the age of eighteen.

When declaring a marriage invalid, the court may decide on the loss of full legal capacity by the minor spouse from the moment determined by the court.

Article 23

No one may be limited in legal capacity and capacity otherwise than in cases and in the manner prescribed by law.

Failure to comply with the conditions and procedure established by law for restricting the legal capacity of a citizen shall entail the invalidity of the act of the state body establishing the relevant restriction.

Full or partial waiver of a citizen's legal capacity or capacity and other transactions aimed at limiting legal capacity or capacity are void, except in cases where such transactions are permitted by law.

Article 24. Entrepreneurial activity of a citizen

A citizen has the right to engage in entrepreneurial activity from the moment of state registration as an individual entrepreneur.

The rules of this Code shall apply to the entrepreneurial activity of citizens carried out without forming a legal entity, unless otherwise follows from the legislation or the essence of the legal relationship.

A citizen who carries out entrepreneurial activities without forming a legal entity in violation of the requirements of part one of (show_doc.fwx?rgn=767#B3YB0ZBPH0) this article is not entitled to refer to the transactions concluded by him that he is not an entrepreneur. The court may apply to such transactions the rules of this Code on obligations related to the implementation of entrepreneurial activities.

Article 25. Property liability of a citizen

A citizen is liable for his obligations with all his property, with the exception of property, which, in accordance with the law, cannot be levied.

Article 26. Bankruptcy of an individual entrepreneur and an individual who has lost the status of an individual entrepreneur

An individual entrepreneur who is unable to satisfy the claims of creditors related to the implementation of entrepreneurial activities by him may be declared bankrupt in the prescribed manner.

An individual who has lost the status of an individual entrepreneur who is unable to satisfy the claims of creditors, if the relevant claims arise from his previous entrepreneurial activity, may be declared bankrupt in the prescribed manner.

When implementing the procedure for declaring a person specified in the first or second part of this article as bankrupt, their creditors for obligations not related to their entrepreneurial activities are also entitled to present their claims. Claims of said creditors, not declared by them in such a manner, shall remain in force after completion of the bankruptcy procedure.

Claims of creditors of the person specified in the first or second part of this Article, in case of declaring him bankrupt, shall be satisfied in the manner prescribed by Article 56 of this Code.

The grounds and procedure for declaring a person specified in the first or second part of this article bankrupt or declaring him or her bankrupt by a court shall be established by law.

(Article 26 is set out in a new edition in accordance with the Law of the Republic of Uzbekistan dated December 30, 2017 No. ZRU-455 (show_doc.fwx?rgn=103222))
(see previous edition (show_red.fwx?rid=65736#A000000026))

Article 27

Minors between the ages of fourteen and eighteen make transactions, with the exception of those mentioned in part three of (show_doc.fwx?rgn=767#B3YB0ZC40H) this article, with the written consent of their parents, adoptive parents or guardians. A transaction made by such a minor is also valid if it is subsequently approved in writing by his parents, adoptive parents or guardian.

Minors aged from fourteen to eighteen years have the right independently, without the consent of parents, adoptive parents and trustees:

1) dispose of their earnings, scholarships and other incomes;

2) to exercise the rights of the author of a work of science, literature or art, an invention or other legally protected result of his intellectual activity;

3) in accordance with the law, make deposits in credit institutions and dispose of them;

4) make petty everyday transactions and other transactions provided for by paragraph two of Article 29 (show_doc.fwx?rgn=767#B37N0TZQDR) of this Code.

Minors aged fourteen to eighteen years independently bear property liability for transactions made by them in accordance with parts one (show_doc.fwx?rgn=767#B3YB0ZJZG7) and two (show_doc.fwx?rgn=767#B37N0U02EX) of this article. For the harm caused by them, such minors shall be liable in accordance with this Code.

If there are sufficient grounds, the court, at the request of parents, adoptive parents or a guardian or a guardianship and guardianship authority, may restrict or deprive a minor between the ages of fourteen and eighteen years of the right to independently dispose of his earnings, stipend or other income, except in cases where such a minor has acquired legal capacity in in full in accordance with part two of Article 22 (show_doc.fwx?rgn=767#A000000022) or Article 28 (show_doc.fwx?rgn=767#A000000028) of this Code.

Article 28. Emancipation

A minor who has reached sixteen years of age may be declared fully capable if he works under an employment contract or, with the consent of his parents, adoptive parents or guardian, is engaged in entrepreneurial activity.

A minor is declared fully capable (emancipation) by decision of the guardianship and guardianship body with the consent of both parents, adoptive parents or guardian, or, in the absence of such consent, by a court decision.

Parents, adoptive parents and a guardian shall not be liable for the obligations of an emancipated minor, in particular, for obligations arising as a result of causing harm to them.

Article 29. Legal capacity of minors under fourteen years of age

For minors under the age of fourteen (minors), transactions, with the exception of those specified in part two of (show_doc.fwx?rgn=767#B37N0TZQDR) this article, can be made on their behalf only by their parents, adoptive parents or guardians.

Juveniles aged six to fourteen years have the right to independently commit:

1) small household transactions;

2) transactions aimed at gratuitous receipt of benefits that do not require notarization or state registration;

3) transactions for the disposal of funds provided by a legal representative or, with the consent of the latter, by a third party for a specific purpose or for free disposal.

Property liability for transactions of a minor, including transactions made by him independently, shall be borne by his parents, adoptive parents or guardians, unless they prove that the obligation was violated through no fault of theirs. These persons, in accordance with the law, are also liable for harm caused by minors.

Article 30. Recognition of a citizen as incapable

A citizen who, due to a mental disorder (mental illness or dementia), cannot understand the meaning of his actions or control them, may be declared legally incompetent by a court in the manner prescribed by law, and guardianship is established over him.

On behalf of a citizen recognized as incompetent, transactions are made by his guardian.

If the grounds by virtue of which the citizen was declared incompetent have disappeared, the court recognizes him as capable and cancels the guardianship established over him.

Article 31

A citizen who, due to the abuse of alcohol or narcotic drugs, puts his family in a difficult financial situation, may be limited by the court in his legal capacity in the manner prescribed by civil procedural legislation. Guardianship is established over him. He has the right to independently make small household transactions. He can make other transactions, as well as receive earnings, pensions and other incomes and dispose of them only with the consent of the trustee. However, such a citizen independently bears property liability for transactions made by him and for the harm caused to him.

If the grounds by virtue of which the citizen was limited in legal capacity have disappeared, the court cancels the restriction of his legal capacity. On the basis of a court decision, the guardianship established over a citizen is cancelled.

Article 32. Guardianship and guardianship

Guardianship and guardianship are established to protect the rights and interests of incapacitated or not fully capable citizens. Guardianship and guardianship of minors is also established for the purpose of their education. The corresponding rights and obligations of guardians and custodians are determined by legislation.

Guardians and trustees act in defense of the rights and interests of their wards in relations with any persons, including in courts, without special authority.

Guardianship and guardianship of minors is established in the absence of parents, adoptive parents, deprivation of parental rights by the court, as well as in cases where such citizens are left without parental care for other reasons, in particular when parents evade their upbringing or protection of their rights and interests .

Article 33. Recognition of a citizen as missing

A citizen may be declared missing by a court at the request of interested persons if during the year there is no information about his place of residence at his place of residence.

If it is impossible to establish the day of receipt of the latest information about the missing person, the beginning of the calculation of the period for recognizing the missing person is considered the first day of the month following the one in which the last information about the missing person was received, and if it is impossible to establish this month, the first day of January of the next year.

Article 34. Consequences of recognizing a citizen as missing

The property of a citizen recognized as missing, if necessary, its permanent management is transferred on the basis of a court decision to a person who is determined by the body of guardianship and guardianship and acts on the basis of an agreement on trust management concluded with this body.

From this property maintenance is issued to citizens whom the missing person was required by law to support, and debts on taxes and other obligations of the missing person are repaid.

The body of guardianship and guardianship may, even before the expiration of one year from the date of receipt of information about the place of stay of an absent citizen, determine a person to protect his property.

The consequences of recognizing a person as missing, not provided for by this article, shall be determined by law.

Article 35

In the event of the appearance or discovery of the place of residence of a citizen recognized as missing, the court cancels the decision on recognizing him as missing. On the basis of a court decision, the management of the property of this citizen is canceled.

Article 36. Declaring a citizen dead

A citizen may, at the request of interested persons, be declared dead by a court if there is no information at his place of residence about his place of stay for three years, and if he went missing under circumstances threatening death or giving reason to assume his death from a certain accident - within six months.

A serviceman or other citizen who has gone missing in connection with hostilities may be declared dead by a court not earlier than two years after the end of hostilities.

The day of death of a citizen declared dead is the day when the court decision on declaring him dead comes into force. If a citizen is declared dead who went missing under circumstances threatening death or giving reason to assume his death from a certain accident, the court may recognize the day of death of this citizen as the day of his alleged death.

Declaring a citizen dead entails the same consequences in relation to the rights and obligations of such a citizen that his death would entail.

Article 37

In the event of the appearance or discovery of the whereabouts of a citizen declared dead, the decision to declare him dead is canceled by the court.

After the cancellation of the decision to declare a citizen dead, he has the right within three years to demand from any person the return to him of the property that has been preserved, which was transferred to this person free of charge, except for the cases provided for by parts two (show_doc.fwx?rgn=767#B3YB0ZLHXH) and four of Article 229 (show_doc.fwx?rgn=767#B3YB0ZLQYH) of this Code.

If the property of a citizen declared dead was alienated by his legal successors to third parties who, by the time the citizen appeared, had not paid the full purchase price, then the right to claim the unpaid amount passes to the citizen who appeared.

Persons to whom the property of a citizen who was declared dead passed through transactions for compensation are obliged to return this property to him if it is proved that, when acquiring the property, they knew that the citizen declared dead was alive. If it is impossible to return such property in kind, its value shall be reimbursed.

If the property of the person declared dead passed by right of inheritance to the state and was sold, then after the cancellation of the decision to declare the citizen dead, the amount received from the sale of property is returned to him.

Article 38. Registration of acts of civil status

The following acts of civil status are subject to state registration:

1) birth;

2) death;

3) marriage;

4) divorce.

Registration of acts of civil status is carried out by the bodies of registration of acts of civil status by making appropriate entries in the books of registration of acts of civil status (registration books) and issuing certificates to citizens on the basis of these records.

Events and facts - adoption (adoption), establishment of paternity, change of surname, name, patronymic, change of sex are reflected in the acts of civil status provided for by part one of (show_doc.fwx?rgn=767#B3YB0ZM61V) this article, by making appropriate changes to them.

Correction and change of civil status records are made by the civil registry office if there are sufficient grounds and there is no dispute between the interested parties.

If there is a dispute between the interested parties or if the civil registry office refuses to correct or change the record, the dispute is resolved by the court.

Cancellation and restoration of civil status records are carried out by the civil registry office, and in the event of a dispute between interested parties or significant discrepancies in civil status records - on the basis of a court decision.

The bodies that carry out the registration of acts of civil status, determine the procedure for registering these acts, the procedure for changing, restoring and canceling records of acts of civil status, the forms of registry books and certificates, as well as the procedure and terms for storing registry books, are determined by law.

Chapter 4. Legal entities

§ 1. General Provisions

Article 39. The concept of a legal entity

A legal entity is an organization that has separate property in ownership, economic management or operational management and is liable for its obligations with this property, can acquire and exercise property and personal non-property rights on its own behalf, bear obligations, be a plaintiff and defendant in court.

Legal entities must have an independent balance sheet or estimate.

Article 40. Types of legal entities

A legal entity may be an organization that pursues profit making as the main goal of its activities (commercial organization) or does not have profit making as such a goal (non-profit organization).

A legal entity that is a commercial organization may be created in the form of a business partnership and company, a production cooperative, a unitary enterprise, and in another form provided for by legislative acts.

A legal entity that is a non-profit organization may be created in the form of a public association, public fund financed by the owner of the institution, as well as in another form provided for by legislative acts.

A non-profit organization may engage in entrepreneurial activities within the limits corresponding to its statutory goals.

Legal entities may form associations (unions) and other associations in accordance with the law.

A legal entity acts on the basis of this Code, other acts of legislation, as well as the charter and other constituent documents.

Article 41. Legal capacity of a legal entity

A legal entity has civil legal capacity in accordance with the objectives of its activities, provided for in its constituent documents.

The legal capacity of a legal entity arises at the moment of its creation (part four of Article 44 (show_doc.fwx?rgn=767#B3YB0ZMNWI) of this Code) and terminates at the moment of completion of its liquidation (part ten of Article 55 (show_doc.fwx?rgn=767#A000000056) of this Code).

The special legal capacity of a legal entity is determined by its charter, regulation or legislation.

A legal entity may engage in certain types of activities, the list of which is determined by a legislative act, only on the basis of a special permit (license).

A legal entity may be restricted in its rights only in cases and in the manner prescribed by law. The decision to restrict the rights of a legal entity may be appealed to the court.

Article 42. Creation of legal entities

Legal entities are created by the owner or a person authorized by him or on the basis of an order of an authorized body, as well as in the manner prescribed by law.

The founders of legal entities are recognized as owners of property, subjects of the right of economic management or operational management, or persons authorized by them.

Article 43. Constituent documents of a legal entity

A legal entity acts on the basis of a charter or a constituent agreement and a charter, or only a constituent agreement. In cases provided for by law, a legal entity that is not a commercial organization may act on the basis of the regulation on organizations of this type.

The constituent agreement of a legal entity is concluded, and the charter is approved by its founders.

A legal entity created in accordance with this Code by one founder shall act on the basis of the charter approved by this founder.

The charter and other constituent documents of a legal entity must define the name of the legal entity, its location (postal address), the procedure for managing the activities of the legal entity, and also contain other information provided for by the law on legal entities of the relevant type. The constituent documents of non-commercial organizations and unitary enterprises, and in the cases provided for by law, also of other commercial organizations, must define the subject and goals of the activity of a legal entity.

In the founding agreement, the parties (founders) undertake to create a legal entity, determine the procedure for joint activities to create it, the conditions for transferring their property to it and participating in its activities. The agreement also defines the conditions and procedure for the distribution of profits and losses among the participants, management of the activities of a legal entity, and the withdrawal of founders from its composition. Other conditions may be included in the memorandum of association with the consent of the founders.

Changes to constituent documents become effective for third parties from the moment of state registration, and in cases established by law, from the moment of notification of such changes to the body carrying out state registration. Legal entities and their founders are not entitled to refer to the lack of registration of such changes in relations with third parties that acted subject to these changes.

Article 44. State registration of legal entities

A legal entity is subject to state registration in the manner prescribed by law. State registration data are included in the unified state register of legal entities, open to the public.

Violation of the procedure established by law for the formation of a legal entity or inconsistency of its constituent documents with the law entails a denial of state registration of the legal entity. Refusal to register legal entities for which a notification procedure for state registration is established shall be carried out in accordance with the law. Refusal to register on the grounds of inexpediency of creating a legal entity is not allowed.

Denial of state registration, as well as violation of the terms of registration may be appealed to the court.

A legal entity is considered established from the moment of its state registration.

A legal entity is subject to re-registration only in cases established by law.

Article 45. Bodies of a legal entity

A legal entity acquires civil rights and assumes civil obligations through its bodies acting in accordance with the law and constituent documents. The procedure for appointing or electing bodies of a legal entity is determined by legislation and constituent documents.

In cases provided for by law, a legal entity may acquire civil rights and assume civil obligations through its participants.

A person who, by virtue of law or the constituent documents of a legal entity, acts on its behalf, must act in the interests of the legal entity it represents in good faith and reasonably. It is obliged, at the request of the founders (participants, members) of the legal entity, unless otherwise provided by law or contract, to compensate for the losses caused by it to the legal entity.

Article 46. Name and location of a legal entity

A legal entity has its own name, containing an indication of its organizational and legal form. The names of non-profit organizations, unitary enterprises, and, in the cases provided for by law, other commercial organizations must contain an indication of the nature of the activity of the legal entity.

The inclusion in the name of a legal entity of indications of the official full or abbreviated name (name of the state), the inclusion of such a name or elements of state symbols in the details of documents or advertising materials of a legal entity is allowed in the manner determined by the Government of the Republic of Uzbekistan.

The location of a legal entity is determined by the place of its state registration, unless otherwise provided in the constituent documents of the legal entity in accordance with the law.

The name and location (postal address) of a legal entity are indicated in its constituent documents.

A legal entity that is a commercial organization must have a company name.

A legal entity has the exclusive right to use its company name.

A person illegally using someone else's company name, at the request of the owner of the right to a company name, is obliged to stop using it and compensate for the losses caused.

A legal entity must have a postal address at which communication is carried out with it, and is obliged to notify the authorized state bodies of a change in its postal address.

Article 47. Representative offices and branches

A representative office is a separate subdivision of a legal entity, located outside its location, which represents the interests of the legal entity and protects them.

A branch is a separate subdivision of a legal entity located outside its location and performing all or part of its functions, including the functions of a representative office.

Representative offices and branches are not legal entities, unless otherwise provided by law. They are endowed with property by the legal entity that created them and act on the basis of the provisions approved by it. Heads of representative offices and branches are appointed by a legal entity and act on the basis of its power of attorney.

Article 48. Liability of a legal entity

A legal entity is liable for its obligations with all its property.

A state enterprise and an institution financed by the owner shall be liable for their obligations in the manner and on the terms provided for by part five of Article 72 (show_doc.fwx?rgn=767#A000000074) and part three of Article 76 (show_doc.fwx?rgn=767#A000000079) of this Code.

The founder (participant) of a legal entity or the owner of its property shall not be liable for the obligations of the legal entity, and the legal entity shall not be liable for the obligations of the founder (participant) or owner, except for the cases provided for by this Code or the constituent documents of the legal entity.

If the insolvency (bankruptcy) of a legal entity is caused by unlawful actions of a person acting as a founder (participant) or owner of the property of a legal entity who has the right to give instructions binding on this legal entity, then such person, in case of insufficiency of the property of the legal entity, may be assigned a subsidiary responsibility for his obligations.

The founder (participant) or owner of the property of a legal entity has the right to give mandatory instructions only if this right is provided for in the constituent documents of this legal entity.

The insolvency (bankruptcy) of a legal entity is considered to be caused by the founder (participant) or owner, who has the right to give instructions binding on this legal entity, only if he used the specified right in order to commit an action by the legal entity, knowing that this will result in insolvency (bankruptcy) of this legal entity.

Article 49. Reorganization of a legal entity

The reorganization of a legal entity (merger, accession, division, separation, transformation) may be carried out by decision of its founders (participants) or by the body of the legal entity authorized to do so by the constituent documents.

In cases established by law, the reorganization of a legal entity in the form of its division or separation of one or more legal entities from its composition is carried out by decision of authorized state bodies or by a court decision.

If the founders (participants) of a legal entity, a body authorized by them or a body of a legal entity authorized to reorganize its constituent documents fails to reorganize the legal entity within the period specified in the decision of the authorized state body, the court, at the claim of the said state body, appoints the manager of the legal entity and instructs him to reorganize this legal entity. From the moment of appointment of the manager, the powers to manage the affairs of the legal entity are transferred to him. The manager acts on behalf of the legal entity in court, draws up a separation balance sheet and submits it to the court for consideration together with the constituent documents of the legal entities arising as a result of the reorganization.

In cases established by law, the reorganization of legal entities in the form of a merger, accession or transformation can be carried out only with the consent of the authorized state bodies.

A legal entity is considered to be reorganized, except for cases of reorganization in the form of affiliation, from the moment of state registration of newly emerged legal entities.

When a legal entity is reorganized in the form of a merger with another legal entity, the first of them is considered reorganized from the moment an entry is made in the unified state register of legal entities on the termination of the activities of the merged legal entity.

Article 50. Succession during the reorganization of legal entities

When legal entities merge, the rights and obligations of each of them are transferred to the newly emerged legal entity in accordance with the deed of transfer.

When a legal entity joins another legal entity, the rights and obligations of the affiliated legal entity are transferred to the latter in accordance with the deed of transfer.

When a legal entity is divided, its rights and obligations are transferred to newly emerged legal entities in accordance with the separation balance sheet.

When one or more legal entities are separated from a legal entity, the rights and obligations of the reorganized legal entity are transferred to each of them in accordance with the separating balance sheet.

When a legal entity of one type is transformed into a legal entity of another type (change of organizational and legal form), the rights and obligations of the reorganized legal entity are transferred to the newly established legal entity in accordance with the deed of transfer.

Article 51

The deed of transfer and the separation balance sheet must contain provisions on the succession of all obligations of the reorganized legal entity in relation to all its creditors and debtors, including obligations disputed by the parties.

The deed of transfer and the separation balance sheet are approved by the founders (participants) of the legal entity or the body that made the decision on the reorganization of legal entities, and are submitted together with constituent documents for state registration of newly established legal entities or amendments to the constituent documents of existing legal entities.

Failure to submit, together with the constituent documents, respectively, the deed of transfer or separation balance sheet, as well as the absence in them of provisions on succession for the obligations of the reorganized legal entity, entails a denial of state registration of newly emerged legal entities.

Article 52. Guarantees of the rights of creditors of a legal entity during its reorganization

The founders (participants) of a legal entity or the body that made a decision on the reorganization of a legal entity are obliged to notify the creditors of the legal entity being reorganized about this in writing.

The creditor of the legal entity being reorganized has the right to demand the termination or early performance of the obligation, the debtor of which is this legal entity, and compensation for losses.

If the separation balance sheet does not make it possible to determine the legal successor of the reorganized legal entity, the newly emerged legal entities shall be jointly and severally liable for the obligations of the reorganized legal entity to its creditors.

Article 53. Liquidation of a legal entity

The liquidation of a legal entity entails its termination without the transfer of rights and obligations by way of succession to other persons.

A legal entity may be liquidated:

by decision of its founders (participants) or a body of a legal entity authorized to do so by the constituent documents, including in connection with the expiration of the period for which the legal entity was created, with the achievement of the purpose for which it was created, or with the recognition by the court of invalid registration of the legal entity in connection with violations of the law committed during its creation, if these violations are irreparable;

by a court decision in the event of carrying out activities without a license, activities (actions) without permission or without notification of the authorized body or activities prohibited by law, unless otherwise provided by law, as well as in other cases provided for by this Code;

by decision of the registering authority in case of non-restoration of activities within three years from the date of transfer in the prescribed manner to an inactive mode due to the failure to carry out financial and economic activities, with the exception of non-governmental non-profit organizations.

By a court decision on the liquidation of a legal entity, its founders (participants) or the body authorized to liquidate the legal entity by its constituent documents may be assigned the obligation to liquidate the legal entity.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 12.10.2021 No. ZRU-721 (show_doc.fwx?rgn=135319))
(see previous edition (show_red.fwx?rid=112809))

Article 54

The founders (participants) of a legal entity or the body that made a decision to liquidate a legal entity are obliged to immediately inform in writing the body that carries out state registration of legal entities, which enters into the unified state register of legal entities information that the legal entity is in the process of liquidation.

The founders (participants) of a legal entity or the body that made the decision to liquidate the legal entity appoint a liquidator, a liquidation commission or an individual, and establish, in accordance with this Code, the procedure and term for liquidation. If a court decides to liquidate a legal entity, the liquidator is appointed in agreement with the body that carries out the state registration of legal entities.

From the moment the liquidator is appointed, the powers to manage the affairs of the legal entity are transferred to him. The liquidator, on behalf of the liquidated legal entity, acts in court.

Article 55. Procedure for the liquidation of a legal entity

The liquidator publishes an announcement in the mass media about the liquidation of the legal entity. The announcement of the voluntary liquidation of a legal entity - a business entity is posted by the registration authority on its official website.

The announcement of the liquidation of a legal entity shall indicate the procedure and term for filing claims of its creditors. This period may not be less than two months from the date of publication of the liquidation.

The liquidator takes measures to identify creditors and collect receivables, and also notifies creditors in writing of the liquidation of the legal entity.

After the expiration of the period for the presentation of claims by creditors, the liquidator draws up an interim liquidation balance sheet, which contains information on the composition of the property of the legal entity being liquidated, the list of claims submitted by creditors, as well as the results of their consideration.

The interim liquidation balance sheet is approved by the founders (participants) of the legal entity or by the body that made the decision to liquidate the legal entity. If a court decides to liquidate a legal entity, the interim liquidation balance sheet is approved in agreement with the body that carries out state registration of legal entities.

If the funds available to the liquidated legal entity (except for institutions) are not sufficient to satisfy the claims of creditors, the liquidator shall sell the property of the legal entity at public auction in the manner established for the execution of court decisions.

Payment of sums of money to creditors of a liquidated legal entity shall be made by the liquidator in the order of priority established by Article 56 (show_doc.fwx?rgn=767#A000000057) of this Code, in accordance with the interim liquidation balance sheet, starting from the date of its approval.

After completion of settlements with creditors, the liquidator draws up a liquidation balance sheet, which is approved by the founders (participants) of the legal entity or the body that made the decision to liquidate the legal entity. If a court decides to liquidate a legal entity, the liquidation balance sheet is approved in agreement with the body that carries out state registration of legal entities.

If the liquidated state enterprise has insufficient property, and the liquidated institution has insufficient funds to satisfy the claims of creditors, the latter have the right to apply to the court with a claim to satisfy the remaining part of the claims at the expense of the owner of the property of this enterprise or institution.

The property of a legal entity remaining after satisfaction of creditors' claims shall be transferred to its founders (participants) who have property rights to this property or obligatory rights in relation to this legal entity, unless otherwise provided by legislation.

The procedure and features of the liquidation of enterprises that do not carry out financial and economic activities, as well as the founders of which are absent, are regulated by law.

The liquidation of a legal entity is considered completed, and the legal entity is considered to have ceased to exist after an entry about this is made in the unified state register of legal entities.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated December 11, 2019 No. ZRU-592 (show_doc.fwx?rgn=121636))
(see previous edition (show_red.fwx?rid=94433))

Article 56. Satisfaction of creditors' claims

When liquidating a legal entity, first of all, the claims of citizens arising from labor relations for the recovery of alimony and payment of remuneration under copyright agreements, as well as the claims of citizens to whom the liquidated legal entity is liable for causing harm to life and health, are satisfied first of all by capitalizing the corresponding time payments .

Claims of other creditors shall be satisfied in the manner and on the terms provided for by law.

Article 57. Insolvency (bankruptcy) of a legal entity

A legal entity that is a commercial organization, with the exception of a state enterprise, as well as a legal entity operating in the form of a consumer cooperative or public fund, may be declared insolvent (bankrupt) by a court decision if it is unable to satisfy the claims of creditors.

The recognition of a legal entity as bankrupt entails its liquidation.

A legal entity that is a commercial organization, as well as a legal entity acting in the form of a consumer cooperative or a public fund, if there are signs of bankruptcy, applies to the court for declaring it bankrupt.

The grounds for declaring a legal entity bankrupt by a court, as well as the procedure for the liquidation of such a legal entity, shall be established by law.

§ 2. Commercial organizations

Article 58

Business partnerships and companies are recognized as commercial organizations with an authorized fund (authorized capital) divided into shares (contributions) or into shares of founders (participants). The property created at the expense of the contributions of the founders (participants) or the acquisition of shares by them, as well as the property produced and acquired by a business partnership or company in the course of its activity, belongs to it by the right of ownership.

Business partnerships and companies may be created in the form of a general partnership, a limited partnership, a limited or additional liability company, a joint-stock company.

Participants in general partnerships and general partners in limited partnerships may be individual entrepreneurs and (or) commercial organizations.

Citizens and legal entities may be participants in economic companies and investors in limited partnerships.

State authorities are not entitled to act as participants in economic companies and investors in limited partnerships, unless otherwise provided by law.

Institutions financed by owners may be participants in economic companies and investors in limited partnerships with the permission of the owner, unless otherwise provided by law.

The law may prohibit or restrict the participation of certain categories of citizens in business partnerships and companies, with the exception of joint-stock companies.

Business partnerships and companies may be founders (participants) of other business partnerships and companies, except for the cases provided for by this Code and other laws.

A contribution to the property of a business partnership or company may be money, securities, other things or property rights or other alienable rights having a monetary value.

Monetary valuation of the contribution of a participant in a business company is made by agreement between the founders (participants) of the company, and in cases provided for by law, is subject to evaluation by an appraisal organization.

Business partnerships and companies (except for a joint-stock company) are not entitled to issue shares.

(Article 58 was amended in accordance with the Law of the Republic of Uzbekistan dated May 14, 2014 No. ZRU-372 (show_doc.fwx?rgn=67389))

(see previous edition (show_red.fwx?rid=24895#A000000060))

Article 59. Rights and obligations of participants in a business partnership or company

Participants in a business partnership or company have the right to:

to participate in the management of the affairs of a partnership or company, except for the cases provided for by other laws;

receive information about the activities of the partnership or company and get acquainted with its accounting books and other documentation in the manner prescribed by the constituent documents;

take part in the distribution of profits;

receive, in the event of liquidation of the partnership or company, part of the property remaining after settlements with creditors, or its value.

Participants in a business partnership or company may also have other rights provided for by this Code and other legislation, the constituent documents of the partnership or company.

Participants in a business partnership or company are required to:

make contributions in the manner, amount, methods and within the time limits stipulated by the constituent documents;

not to disclose confidential information about the activities of the partnership or company.

Participants in a business partnership or company may also bear other obligations stipulated by its founding documents.

Article 60. Full partnership

A partnership is recognized as full, the participants of which, in accordance with the agreement concluded between them, are engaged in entrepreneurial activities on behalf of the partnership and are liable for its obligations with all their property.

A person may be a participant in only one full partnership.

The company name of a general partnership must contain the names (names) of all its participants, as well as the words "general partnership", or the name (name) of one or more participants with the addition of the words "and company", as well as the words "general partnership".

Article 61. Limited partnership

A limited partnership is a partnership in which, along with the participants who carry out entrepreneurial activities on behalf of the partnership and are liable for the obligations of the partnership with all their property (general partners), there are one or more participants (depositors, limited partners) who bear the risk of losses associated with the activities of the partnership , within the limits of the amounts of contributions made by them and do not take part in the implementation of entrepreneurial activities by the partnership.

The rights of general partners participating in a limited partnership and their liability for the obligations of the partnership are determined by the rules of this Code.

A person may be a general partner in only one limited partnership

A participant in a general partnership cannot be a general partner in a limited partnership.

A general partner in a limited partnership cannot be a contributor in the same partnership and a participant in another general partnership.

The business name of a limited partnership must contain the names (names) of all general partners, as well as the words "limited partnership", or the name (name) of at least one general partner with the addition of the words "and company", as well as the words "limited partnership".

If the business name of a limited partnership includes the name of a contributor, such contributor becomes a general partner.

The rules on a general partnership shall apply to a limited partnership, in so far as this does not contradict the provisions of this Code.

Article 62. Limited Liability Company

A limited liability company is a company founded by one or more persons, the authorized fund (authorized capital) of which is divided into shares of the sizes determined by the constituent documents. Members of a limited liability company are not liable for its obligations and bear the risk of losses associated with the activities of the company, to the extent of the value of their contributions.

Members of the company who have not fully made contributions shall be jointly and severally liable for its obligations within the value of the unpaid part of the contribution of each of the participants.

The trade name of a limited liability company must contain the name of the company, as well as the words "limited liability".

The legal status of a limited liability company, the rights and obligations of its participants are determined by this Code and other legislative acts.

Article 63

An additional liability company is a company founded by one or more persons, the authorized capital of which is divided into shares of sizes determined by the constituent documents. The participants in such a company jointly and severally bear subsidiary liability for its obligations with their property in the same multiple for all to the value of their contributions, determined by the constituent documents of the company. In case of insolvency (bankruptcy) of one of the

participants, its liability for the obligations of the company is distributed among the other participants in proportion to their contributions, unless a different procedure for the distribution of responsibility is provided for by the constituent documents of the company.

The company name of the company with additional liability must contain the name of the company, as well as the words "with additional liability".

The rules of this Code on a limited liability company shall apply to an additional liability company, unless otherwise provided by this article.

Article 64

A joint-stock company is a company whose authorized capital is divided into a certain number of shares. Members of a joint-stock company (shareholders) are not liable for its obligations and bear the risk of losses associated with the activities of the company, to the extent of the value of their shares.

Shareholders who have not fully paid for the shares shall be jointly and severally liable for the obligations of the joint stock company within the limits of the unpaid part of the value of their shares.

The corporate name of a joint-stock company must contain its name and an indication that the company is a joint-stock company.

The legal status of a joint stock company, the rights and obligations of shareholders are determined by this Code and other legislative acts.

Article 65. Open Joint Stock Company

A joint stock company whose members may alienate their shares without the consent of other shareholders is recognized as an open joint stock company. Such a joint-stock company has the right to conduct an open subscription for shares issued by it and their free sale on the conditions established by law.

An open joint stock company is obliged to annually publish for general information the annual report, balance sheet, profit and loss account.

Article 66

A joint stock company whose shares are distributed only among its founders or other predetermined circle of persons is recognized as a closed joint stock company. Such a company is not entitled to conduct an open subscription for shares issued by it or otherwise offer them for purchase to an unlimited number of persons.

The number of participants in a closed joint stock company must not exceed the number established by law. If the established limit is exceeded, it is subject to transformation into an open joint-stock company within a year, and after this period, liquidation in court, if the number of shareholders does not decrease to the established limit.

In cases stipulated by law, a closed joint-stock company is obliged to publish for general information the documents specified in the second part of Article 65 (show_doc.fwx?rgn=767#B3YB0ZP1QM) of this Code.

Article 67

A business company is recognized as a subsidiary if another (main) business company or partnership, by virtue of its predominant participation in its charter capital or in accordance with an agreement concluded between them, or otherwise, has the ability to determine decisions made by such a company.

A subsidiary business company is a legal entity.

A subsidiary business company is not entitled to own shares in the authorized fund (authorized capital) of its main company (partnership). A subsidiary business company that has acquired shares in the authorized capital (authorized capital) of its main company (partnership) before the entry into force of the prohibition established in this part is not entitled to vote at the general meeting of participants or shareholders of its main company (partnership).

A subsidiary economic company is not liable for the debts of its main company (partnership).

In case of insolvency (bankruptcy) of a subsidiary economic company through the fault of the main company (partnership), the latter bears subsidiary liability for its debts.

Participants (shareholders) of a subsidiary company have the right to demand compensation from the main company (partnership) for losses caused through its fault to the subsidiary company, unless otherwise provided by law.

(Article 67 was amended in accordance with the Law of the Republic of Uzbekistan dated 09.01.2018 No. ZRU-459 (show_doc.fwx?rgn=103937))
(see previous edition (show_red.fwx?rid=66456#A000000069))

Article 68. Dependent business company

A business company is recognized as dependent if another participating company has more than twenty percent of its voting shares (shares).

A dependent business company is a legal entity.

A dependent economic company is not entitled to own shares in the authorized fund (authorized capital) of another participating company. A dependent business company that has acquired shares in the authorized capital (authorized capital) of another participating company before the entry into force of the prohibition established in this part is not entitled to vote at the general meeting of participants or shareholders of another participating company;

The participating company is obliged, in the manner prescribed by law, to immediately publish information on the acquisition by it of the relevant part of the authorized capital of the dependent company.

The limits of mutual participation of economic companies in each other's charter funds and the number of votes that one of such companies can use at a general meeting of participants or shareholders of another company are determined by law.

(Article 68 was amended in accordance with the Laws of the Republic of Uzbekistan dated 14.05.2014 No. ZRU-372 (show_doc.fwx?rgn=67389) , 09.01.2018 No. ZRU-459 (show_doc.fwx?rgn=103937))
(see previous edition (show_red.fwx?rid=66456#A000000070))

Article 69. Production cooperatives

A production cooperative is a voluntary association of citizens on the basis of membership for joint production or other economic activities based on their personal participation and the association of property shares by its members (participants). The law and constituent documents of a production cooperative may provide for participation in its activities on the basis of membership also of legal entities.

Members of a production cooperative shall bear subsidiary liability for the obligations of the cooperative in the amount and in the manner prescribed by law and the charter of the cooperative.

The company name of the cooperative must contain its name, as well as the words "production cooperative".

The legal status of production cooperatives, the rights and obligations of their members are determined by this Code and other legislative acts.

Article 70. Unitary enterprise

A unitary enterprise is a commercial organization that is not endowed with the right of ownership of the property assigned to it by the owner.

The property of a unitary enterprise is indivisible and cannot be distributed among contributions (shares, shares), including among employees of the enterprise.

The charter of a unitary enterprise must contain, in addition to those specified in parts four and five of Article 43 (show_doc.fwx?rgn=767#A000000044) of this Code, information on the size of the authorized capital of the enterprise, the procedure and sources for its formation.

The property of a unitary enterprise belongs to it on the basis of the right of economic management or operational management.

The firm name of a unitary enterprise must contain an indication of the owner of its property.

The governing body of a unitary enterprise is its head, as well as the supervisory board, if it is provided for by the charter of the unitary enterprise. The head and the supervisory board of a unitary enterprise are appointed by the owner of the property or a body authorized by the owner and are accountable to them .

A unitary enterprise is liable for its obligations with all its property.

A unitary enterprise shall not be liable for the obligations of the owner of its property.

A unitary enterprise is not entitled to own shares in the authorized fund (authorized capital) of its owner. A unitary enterprise that has acquired shares in the authorized capital (authorized capital) of its owner prior to the entry into force of the prohibition established in this part is not entitled to vote at a general meeting of participants in a business company (partnership).

The legal status of unitary enterprises is determined by this Code and other legislation.

The owner of the property of a unitary enterprise is not liable for the obligations of the enterprise, except for the cases provided for by parts three and four of Article 48 (show_doc.fwx?rgn=767#A000000049) of this Code. This rule also applies to the liability of a unitary enterprise that has established a subsidiary for the obligations of the latter.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated March 29, 2022 No. ZRU-760 (show_doc.fwx?rgn=139114))
(see previous edition (show_red.fwx?rid=118073))

Article 71. Unitary enterprise based on the right of economic management

A unitary enterprise based on the right of economic management is created by decision of the owner or a body authorized by him.

The constituent document of an enterprise based on the right of economic management is its charter, approved in the prescribed manner.

A unitary enterprise based on the right of economic management may create another unitary enterprise as a legal entity by transferring to it, in accordance with the established procedure, part of its property for economic management (subsidiary enterprise).

The founder approves the charter of the subsidiary and appoints its head.

Article 72. State unitary enterprise based on the right of operational management

In cases provided for by law, by decision of the Government of the Republic of Uzbekistan, on the basis of state-owned property, a state unitary enterprise based on the right of operational management (state enterprise) can be formed.

The founding document of a state enterprise is its charter.

The trade name of a state enterprise based on the right of operational management must contain an indication that the enterprise is a state enterprise.

The rights of a state enterprise to the property assigned to it are determined in accordance with Articles 178 and 179 (show_doc.fwx?rgn=767#A000000183) of this Code.

The state bears subsidiary liability for the obligations of the state enterprise in case of insufficiency of its property.

A state enterprise may be reorganized or liquidated by the state body by whose decision it was formed.

(Article 72 was amended in accordance with the Law of the Republic of Uzbekistan dated 20.08.2015 No. ZRU-391 (show_doc.fwx?rgn=78724))

(see previous edition (show_red.fwx?rid=39704#A000000074))

§ 3. Non-profit organizations

Article 73. Consumer cooperative

A consumer cooperative is a voluntary association of citizens on the basis of membership in order to meet the material (property) needs of the participants, carried out by combining property (share) contributions by its members.

The charter of a consumer cooperative must contain, in addition to those indicated in parts four and five of Article 43 (show_doc.fwx?rgn=767#A000000044) of this Code, the following information: data on the amount of share contributions of members of the cooperative; on the composition and procedure for making share contributions by members of the cooperative and their liability for violation of the obligation to make a contribution; on the composition and competence of the management bodies of the cooperative and the procedure for making decisions by them, including on issues, decisions on which are taken unanimously or by a qualified majority of votes; on the procedure for covering the losses incurred by members of the cooperative.

The name of a consumer cooperative must contain an indication of the main purpose of its activity, as well as the word "cooperative" or the words "consumer union" or "consumer society".

Members of a consumer cooperative are obliged, within three months after the approval of the annual balance sheet, to cover the resulting losses through additional contributions. In case of failure to fulfill this obligation, the cooperative may be liquidated in court at the request of creditors.

Members of a consumer cooperative shall bear subsidiary liability for its obligations within the limits of the unpaid part of the additional contribution of each of the members of the cooperative. In this case, the members of the cooperative are jointly and severally liable.

The rules of this Code on commercial organizations shall apply to the commercial activities of a consumer cooperative.

The legal status of consumer cooperatives, as well as the rights and obligations of their members, are determined in accordance with this Code and other legislative acts.

Article 74. Public associations

Voluntary associations of citizens who, in accordance with the procedure established by law, have united on the basis of their common interests in order to satisfy spiritual or other non-material needs, are recognized as public associations.

Public associations have the right to carry out production and other entrepreneurial activities provided for by their charters.

Participants (members) of public associations do not retain the rights to the property transferred by them to these associations, including membership fees. They are not liable for the obligations of public associations in which they participate as their members, and these associations are not liable for the obligations of their members.

Features of the legal status of public associations are determined by legislation.

Article 75. Public funds

A public fund is a non-membership non-state non-profit organization created by citizens and (or) legal entities on the basis of voluntary property contributions, pursuing charitable, social, cultural, educational or other socially useful goals.

Property transferred to a public foundation by its founders (founder) or testator shall be the property of the foundation. The founders (founder) of a foundation or the executor of a will, when creating a foundation under a will, are not liable for the obligations of the foundation, and the foundation is not liable for the obligations of the founders (founder) or the executor of the will.

The property of a public foundation is used to fulfill the statutory goals and objectives of the foundation and to cover administrative expenses. The Fund, in accordance with the law, may engage in entrepreneurial activities within the limits corresponding to its statutory goals. Participation of the fund in the authorized fund (authorized capital) of commercial organizations is carried out in the manner prescribed by law.

The Public Foundation is obliged to publish a report on its activities annually.

The procedure for managing a public fund and the procedure for forming its bodies is determined by its charter.

The charter of a public fund, in addition to those specified in part four of Article 43 (show_doc.fwx?rgn=767#A000000044) of this Code, must contain the following information: the structure, powers and procedure for the formation of the bodies of the fund; the procedure for the appointment (election) and dismissal of officials of the fund's bodies; sources of formation of the property of the fund; rights and obligations of the fund, its representative offices and branches for property management; the procedure for opening representative offices and creating branches of the fund; the procedure for reorganization and liquidation of the fund; the procedure for using the fund's property in the event of its liquidation; the procedure for introducing amendments and additions to the charter of the fund.

The charter of a public fund may contain a description of the symbols of the fund, which must be registered in the prescribed manner, as well as other provisions that do not contradict the law.

Features of the legal status of public funds are determined by legislation.

Article 76. Institutions

An institution is recognized as an organization created by the owner to carry out managerial, socio-cultural or other functions of a non-commercial nature and financed by him in whole or in part.

The rights of an institution to the property assigned to it and acquired by it are determined in accordance with Articles 178 (show_doc.fwx?rgn=767#A000000183) and 180 (show_doc.fwx?rgn=767#A000000185) of this Code.

The institution is responsible for its obligations with the funds at its disposal. In case of their insufficiency, the owner of the relevant property bears subsidiary liability for its obligations.

Features of the legal status of certain types of state and other institutions are determined by legislation.

Article 77. Associations of legal entities

For the purpose of coordinating their entrepreneurial activities, as well as representing and protecting common property interests, commercial organizations may unite into associations (unions) and other associations that are non-profit organizations. If, by decision of the participants, the association (union) and other association is entrusted with conducting business activities, such association (union) and other association are subject to transformation into a business company or partnership in the manner prescribed by this Code, or may create business companies to carry out entrepreneurial activities or participate in them.

In order to coordinate their activities, as well as to represent and protect common interests, non-profit organizations may create associations in the form of associations (unions).

Association (union) and other association are legal entities.

Members of an association (union) and other association retain their independence and the rights of a legal entity.

An association (union) and other associations are not liable for the obligations of their members.

Members of an association (union) and other association bear subsidiary liability for their obligations in the amount and in the manner prescribed by the constituent documents of the association (union) and other association.

The name of an association (union) and other association must contain an indication of the main subject of their activity with the inclusion of the word "association", "union" or a word indicating the type of association. Legislation may establish specific features of the legal status of associations of legal entities.

Article 78

Self-government bodies of citizens as legal entities are participants in civil law relations.

Property created or acquired by citizens' self-government bodies is their property.

The legal status of citizens' self-governing bodies is determined by legislation.

Chapter 5. The state as a participant in civil law relations

Article 79. Participation of the state in civil law relations

The state participates in relations regulated by civil law on an equal footing with other participants in these relations.

On behalf of the state in the relations regulated by the civil legislation, bodies of state power and administration and other bodies specially authorized by them participate.

The state is liable for its civil obligations with the means that are in its ownership.

Article 80. Separation of responsibility of the state and legal entities

A legal entity created by the state is not liable for its obligations. The state is not responsible for the obligations of legal entities created by it, except in cases provided for by law.

The rules of this article do not apply to cases where the state, on the basis of an agreement concluded by it, has assumed a surety (guarantee) for the obligations of a legal entity or the said legal entity has assumed a surety (guarantee) for the obligations of the state.

Subsection 3. Objects

Chapter 6. General Provisions

Article 81. Types of objects of civil rights

The objects of civil rights include things, including money and securities, other items, property, including property rights, works and services, inventions, industrial designs, works of science, literature, art and other results of intellectual activity, as well as personal non-property rights. and other tangible and intangible benefits.

Article 82

Objects of civil rights can be freely alienated or transferred from one person to another in the order of universal succession (inheritance, reorganization of a legal entity) or in another way, if they are not withdrawn from circulation or limited in circulation.

The types of objects of civil rights, which are not allowed to be in circulation (objects withdrawn from circulation), must be directly indicated in the law.

The types of objects of civil rights that may belong only to certain participants in the circulation or whose presence in circulation is allowed under a special permit (objects of restricted circulation) are determined in the manner prescribed by law.

Chapter 7

Article 83. Types of property

Property as an object of civil rights is divided into immovable and movable.

Real estate includes: plots of land, subsoil, buildings, structures, perennial plantings and other property firmly connected with the land, that is, objects that cannot be moved without disproportionate damage to their purpose.

Other property may also be classified as immovable by law.

Features of the acquisition and termination of rights to immovable property shall be established by law .

Property not related to immovable property is recognized as movable property. Registration of rights to real estate is not required, except in cases specified in the law.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Article 84. State registration of real estate

The right of ownership and other real rights to real estate, the emergence, transfer, restriction and termination of these rights are subject to state registration.

The body that carries out state registration of rights to real estate and transactions with it is obliged, at the request of the right holder, to certify the registration by issuing a document on the registered right or transaction or by making an inscription on the document submitted for registration.

The body that carries out state registration of rights to real estate and transactions with it is obliged to provide information on the registration and registered rights to any person.

Information is provided in any body that registers real estate, regardless of the place of registration.

Denial of state registration of the right to real estate or transactions with it, or violation of the terms of registration may be appealed to the court.

The procedure for state registration and the grounds for refusal of registration are established by law.

Article 85. Enterprise

The enterprise as a whole as a property complex is recognized as real estate.

The enterprise as a whole or part of it may be the object of sale, pledge, lease and other transactions related to the establishment, change and termination of property rights.

The structure of the enterprise as a property complex includes all types of property intended for its activities, including land plots, buildings, structures, equipment, inventory, raw materials, products, claims, debts, as well as rights to designations that individualize the enterprise, its products, work and services (company name, trademarks, service marks), and other exclusive rights, unless otherwise provided by law or contract.

Article 86. Classification of things

Things as an object of civil rights are divided into:

individually defined and defined by generic characteristics;

divisible and indivisible;

consumable and non-consumable;

main things and accessories;

complex things.

Article 87

An individually defined thing is recognized as a thing endowed with special, only inherent features that distinguish it from the mass of homogeneous things and thereby individualize this thing. Individually defined things include unique, that is, one-of-a-kind things, as well as things isolated in a certain way (printing, special marks, numbering, numbers, etc.).

Individually-defined things are indispensable.

Things defined by generic features are things that have features inherent in all things of the same kind and are determined by number, weight, measure, etc.

Things defined by generic characteristics are interchangeable.

Article 88. Divisible and indivisible things

A thing is recognized as divisible, as a result of the division of which, each of its parts retains the property of the whole and does not lose its economic (target) purpose.

A thing is recognized as indivisible, as a result of the division of which its parts lose the properties of the original thing, change its economic (target) purpose.

Article 89. Consumable and non-consumable things

Consumables are things that, as a result of a single use, are destroyed or cease to exist in their original form (raw materials, fuel, food, etc.).

Items intended for repeated use, while retaining their original appearance for a long time, and gradually wearing out (buildings, equipment, vehicles, etc.) are recognized as non-consumable.

Article 90

The main thing is an independent thing connected with another thing (belonging) by the essence of the relations arising from their use.

An accessory is a thing designed to serve the main thing and associated with it by a common economic purpose.

Ownership follows the fate of the main thing, unless otherwise provided by legislative acts or an agreement.

Article 91. Complicated things

If heterogeneous things form a single whole, allowing it to be used for its intended purpose, determined by the essence of the connection, they are considered as one thing (complex thing).

The effect of a transaction concluded in connection with a complex thing shall apply to all its constituent parts, unless otherwise provided by the contract.

Article 92. Right to fruits and income

The fruits and income brought by a thing belong to the owner of the thing, unless otherwise provided by law or an agreement.

Article 93. Animals

The general property rules apply to animals, unless otherwise provided by law.

When exercising the rights, cruelty to animals is not allowed.

Article 94. Money (currency)

The monetary unit of the Republic of Uzbekistan is sum.

Soum is legal tender, obligatory to be accepted at face value.

Payments are made in the form of cash and non-cash payments.

Cases, procedure and conditions of settlements in foreign currency are determined by the legislation.

Article 95. Currency values

The types of property recognized as currency values and the procedure for making transactions with them are determined by law.

The right of ownership of currency values is protected on a general basis.

Article 96. Securities

Securities are documents certifying, in compliance with the established form and obligatory details, property rights, the exercise or transfer of which is possible only upon their presentation.

With the transfer of securities, all the rights certified by them are transferred in aggregate.

Securities include: a bond, a bill of exchange, a check, a deposit and savings certificate, a bill of lading, a share and other documents that are classified as securities by law.

Chapter 8

Article 97. Results of intellectual activity

In cases and in accordance with the procedure established by this Code and other laws, the exclusive right of a citizen or legal entity to objectively expressed results of intellectual activity and equated means of individualization of a legal entity, products of an individual or legal entity, works or services performed by them (company name, trademark, service mark, etc.).

The use of the results of intellectual activity and means of individualization, which are the object of exclusive rights, can be carried out by third parties only with the permission of the copyright holder.

Article 98. Official and commercial secret

Civil law protects information constituting an official and commercial secret, in the case when the information has actual or potential commercial value due to its unknownness to third parties, there is no free access to it on a legal basis and the owner of the information takes measures to protect its confidentiality.

Article 99. Personal property rights and other intangible benefits

Life and health, honor and dignity of the individual, personal integrity, business reputation, privacy, private and family secrets, the right to a name, the right to an image, the right of authorship, other personal non-property rights and other intangible benefits belonging to a citizen from birth or in force of law, are not alienable or otherwise transferable. In the case and in the manner prescribed by law, personal property rights and other intangible benefits belonging to the deceased may be exercised and protected by other persons, including the heirs of the right holder.

Article 100. Protection of honor, dignity and business reputation

A citizen has the right to demand in court a refutation of information discrediting his honor, dignity or business reputation, if the person who disseminated such information does not prove that it is true.

At the request of interested persons, the protection of the honor and dignity of a citizen is allowed even after his death.

If information discrediting the honor, dignity or business reputation of a citizen is disseminated in the media, they must be refuted in the same media.

If the specified information is contained in a document emanating from the organization, such a document is subject to replacement or revocation.

The order of refutation in other cases is established by the court.

A citizen in respect of whom the media have published information that infringes on his rights or interests protected by law, has the right to speak in his defense in the same media.

If the court decision is not executed, the court has the right to impose a fine on the violator in the amount and in the manner prescribed by law. Payment of the fine does not release the violator from the obligation to perform the action stipulated by the court decision.

A citizen in respect of whom information is disseminated that discredits his honor, dignity or business reputation, has the right, along with the refutation of such information, to demand compensation for losses and moral damage caused by their dissemination.

The rule of this article on the protection of the business reputation of a citizen shall be applied accordingly to the protection of the business reputation of a legal entity.

Subsection 4. Transactions and representation

Chapter 9

§ 1. Concept, types and form of transactions

Article 101. The concept of transactions

Transactions are the actions of citizens and legal entities aimed at establishing, changing or terminating civil rights and obligations.

Article 102. Types of transactions

Transactions can be unilateral, bilateral or multilateral (contracts).

A unilateral transaction is considered to be a transaction, for the conclusion of which, in accordance with the legislation or agreement of the parties, it is necessary and sufficient to express the will of one party.

To conclude a contract, it is necessary to express the agreed will of two parties (bilateral transaction) or three or more parties (multilateral transaction).

Article 103. Legal regulation of unilateral transactions

A unilateral transaction creates obligations for the person who made the transaction. It can create obligations for other persons only in cases established by legislative acts or by agreement with these persons.

For unilateral transactions, the general provisions on obligations and contracts (Section III of this Code) shall apply accordingly, insofar as this does not contradict the law, the nature and essence of the transaction.

Article 104. Transactions made under a condition

A transaction is considered to be concluded under a suspensive condition, if the parties have made the emergence of rights and obligations dependent on a circumstance, regarding which it is not known whether it will occur or not.

The transaction is considered to be concluded under a resolutive condition if the parties have made the termination of rights and obligations dependent on a circumstance, regarding which it is not known whether it will occur or not.

If the occurrence of the condition was unfairly prevented by the party to whom the occurrence of the condition is unfavorable, then the condition is deemed to have occurred.

If the occurrence of the condition was promoted in bad faith by the party to whom the occurrence of the condition is beneficial, then the condition is recognized as not having occurred.

Article 105. Forms of transactions

Transactions are made orally or in writing (simple or notarial).

Silence is recognized as an expression of the will to make a deal in cases provided for by law or by agreement of the parties.

Article 106. Oral form of a transaction

A transaction for which the legislation or agreement of the parties does not establish a written form may be made orally, including the one executed at the time of its conclusion. Such a transaction is also considered to be completed in the case when the behavior of the person reveals his will to conclude the transaction.

A transaction confirmed by the issuance of a token, ticket or other generally accepted confirming sign is recognized as concluded orally, unless otherwise provided by law.

Transactions in pursuance of an agreement concluded in writing may, by agreement of the parties, be made orally, if this does not contradict the law and the agreement.

Article 107. Written form of a transaction

A transaction made in writing must be signed by the parties or their representatives, unless otherwise follows from the customs of business.

When making a transaction, it is allowed to use the means of facsimile copying of a signature, if this does not contradict the law or the requirement of one of the participants.

Bilateral transactions can be made through the exchange of documents, each of which is signed by the party from which it originates.

Unless otherwise established by law or by agreement of the parties, an exchange of letters, telegrams, telephone messages, teletype messages, faxes or other documents defining the subjects and the content of their expression of will is equated to the conclusion of a transaction in writing, unless otherwise established by law or agreement of the parties.

Legislation and agreement of the parties may establish additional requirements that the form of the transaction must comply with (execution on a letterhead of a certain form, affixing with a seal, etc.) (if there is a seal), and provide for the consequences of non-compliance with these requirements.

If a citizen, due to a physical disability, illness or illiteracy, cannot sign with his own hand, then at his request another citizen can sign the transaction. The signature of the latter must be certified by a notary or other official who has the right to perform such a notarial act, indicating the reasons for which the person making the transaction could not sign it personally.

The party that executed the transaction made in writing is entitled to demand from the other party a document confirming the execution. The party that has executed an oral business transaction has the same right, except for transactions that are executed when they are actually made.

(Article 107 was amended in accordance with the Law of the Republic of Uzbekistan dated 20.08.2015 No. ZRU-391 (show_doc.fwx?rgn=78724))

(see previous edition (show_red.fwx?rid=39704#A000000111))

Article 108. Simple written form of a transaction

In simple written form, except for transactions requiring notarial certification, the following are made:

1) transactions of legal entities between themselves and with citizens;

2) transactions of citizens among themselves for an amount exceeding ten times the amount of the established basic settlement value, and in cases provided for by law, regardless of the amount of the transaction.

Compliance with a simple written form is not required for transactions that, in accordance with Article 106 (show_doc.fwx?rgn=767#A000000110) of this Code, can be made orally.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 03.12.2019 No. ZRU-586 (show_doc.fwx?rgn=120942))
(see previous edition (show_red.fwx?rid=94430))

Article 109. Consequences of non-observance of a simple written form of a transaction

Failure to comply with the simple written form of the transaction does not entail its invalidity, but deprives the parties of the right, in the event of a dispute, to confirm its commission, content or execution by witness testimony.

The parties have the right to confirm the conclusion, content or execution of the transaction with written or other evidence.

In cases expressly specified in the law or in the agreement of the parties, non-observance of the simple written form of the transaction entails its invalidity.

Article 110. Notarial certification of a transaction

Notarial certification of a transaction is carried out by making a certification inscription on a document that meets the requirements of Article 107 (show_doc.fwx?rgn=767#A000000111) of this Code by a notary or other official who has the right to perform such a notarial act.

Notarial certification of transactions is mandatory:

1) in the cases specified in the law;

2) at the request of either party.

Article 111. State registration of transactions

Transactions with land plots and other real estate (alienation, mortgage, long-term lease, acceptance of inheritance, etc.) are subject to state registration.

The procedure for registering real estate transactions and maintaining the relevant registers is determined by law.

Legislation may establish state registration of transactions with certain types of movable property.

Article 112

Failure to comply with the notarial form or the requirement for state registration of the transaction entails its invalidity. Such a transaction is considered void.

If one of the parties has fully or partially executed a transaction that requires notarization, and the other party evades notarial registration of the transaction, the court shall have the right, at the request of the party that performed the transaction, to recognize the transaction as valid. In this case, subsequent notarization of the transaction is not required.

If a transaction requiring state registration is made in the proper form, but one of the parties evades its registration, the court has the right, at the request of the other party, to make a decision on the registration of the transaction. In this case, the transaction is registered in accordance with the decision of the court.

In the cases provided for by parts two and three of this article, a party that unreasonably evades notarization or state registration of a transaction must compensate the other party for losses caused by a delay in the transaction.

§ 2. Invalidity of transactions

Article 113. Voidable and void transactions

The transaction is invalid on the grounds established by this Code, by virtue of its recognition as such by the court (disputable transaction) or regardless of such recognition (void transaction).

The demand to recognize a voidable transaction as invalid may be presented by the persons specified in this Code.

A demand to apply the consequences of the invalidity of a void transaction may be submitted by any interested person. The court has the right to apply such consequences on its own initiative.

Article 114. General provisions on the consequences of the invalidity of a transaction

An invalid transaction does not entail legal consequences, except for those related to its invalidity, and is invalid from the moment it was made.

If the transaction is invalid, each of the parties is obliged to return to the other everything received under the transaction, and if it is impossible to return what was received in kind (including when the received is expressed in the use of property, work performed or services provided), to reimburse its value in money, if other consequences of invalidity transactions are not legal.

Article 115. Failure to comply with the legally required form of a transaction

Failure to comply with the form required by law entails the invalidity of the transaction only if such a consequence is directly indicated in the law.

Article 116. Invalidity of a transaction that does not meet the requirements of the law

A transaction, the content of which does not comply with the requirements of the law, as well as made with a purpose that is obviously contrary to the foundations of law and order or morality, is void. The rules provided for by the second part of Article 114 (show_doc.fwx?rgn=767#B3YB0ZQEI2) of this Code shall apply to such a transaction.

Article 117. Invalidity of a transaction made by a person under the age of fourteen

A transaction made by a person under the age of fourteen, except for the transactions provided for by part two of Article 29 (show_doc.fwx?rgn=767#A000000029) of this Code, is void.

Each of the parties under such a transaction is obliged to return to the other party everything received under the transaction, and if it is impossible to return what was received in kind, to reimburse its value in money. The capable party is also obliged to compensate the other party for the real damage it has suffered if it knew or should have known about the incapacity of the other party.

Article 118. Invalidity of a transaction made by a minor between fourteen and eighteen years of age

A transaction made by a minor between the ages of fourteen and eighteen without the consent of his parents, adoptive parents or guardian, in cases where such consent is required in accordance with Article 27 (show_doc.fwx?rgn=767#A000000027) of this Code, may be declared invalid by the court at the claim of the parents, adoptive parents or guardian. If such a transaction is declared invalid, the rules provided for by the second part of Article 117 (show_doc.fwx?

rgn=767#B3YB0ZQQ3S) of this Code shall apply.

The rules of this article do not apply to transactions of minors who have become fully capable, in the cases provided for by the second part of Article 22 (show_doc.fwx?rgn=767#A000000022) and Article 28 (show_doc.fwx?rgn=767#A000000028) of this Code.

Article 119

A transaction made by a citizen who has been declared legally incompetent due to a mental disorder (mental illness or dementia) is void. The rules provided for by the second part of Article 117 (show_doc.fwx?rgn=767#B3YB0ZQQ3S) of this Code shall apply to such a transaction.

Article 120. Invalidity of a transaction made by a citizen with limited legal capacity

A transaction made without the consent of the trustee by a citizen who is limited in legal capacity due to the abuse of alcohol or drugs may be declared invalid by the court. If such a transaction is declared invalid, the rules provided for by the second part of Article 117 (show_doc.fwx?rgn=767#B3YB0ZQQ3S) of this Code shall apply.

The rules of this article do not apply to small household transactions executed at the very moment they are made in accordance with the second part of Article 29 (show_doc.fwx?rgn=767#A000000029) of this Code.

Article 121

A transaction made by a citizen, although capable, but at the time of its conclusion in such a state that he was not able to understand the meaning of his actions or manage them, may be recognized by the court as invalid on the claim of this citizen or other persons whose rights or protected by law interests are violated as a result of its commission.

A transaction made by a citizen subsequently recognized as legally incompetent may be declared invalid by a court at the suit of his guardian, if it is proved that at the time of the transaction the citizen was not able to understand the meaning of his actions or manage them.

If the transaction is declared invalid on the basis of this article, the rules provided for by the second part of Article 117 (show_doc.fwx?rgn=767#A000000122) of this Code shall apply.

The party that at the time of the transaction could not understand the meaning of its actions or manage them, in addition, the other party must compensate for the costs incurred, loss or damage to property, if it knew or should have known about such a state of the citizen who concluded the transaction with her.

Article 122. Invalidity of a transaction made under the influence of error

A transaction made under the influence of a significant error may be declared invalid by the court at the claim of the party that acted under the influence of the error.

Of significant importance is the misconception about the nature of the transaction, the identity or qualities of its subject, which significantly reduce the possibility of its intended use. Misconception about the motives of the transaction is not material.

If a transaction is declared invalid as made under the influence of a delusion, the rules provided for by the second part of Article 114 (show_doc.fwx?rgn=767#A000000119) of this Code shall apply.

In addition, the party, at the suit of which the transaction was declared invalid, has the right to demand compensation from the other party for real damage caused to it, if it proves that the error arose through the fault of the other party. If this is not proven, the party at the request of which the transaction was declared invalid is obliged to compensate the other party, at its request, for the real damage caused to it, even if the error arose due to circumstances beyond the control of the erroring party.

Article 123

A transaction made under the influence of deceit, violence, threats, a malicious agreement between a representative of one party and the other party, as well as a transaction that a citizen was forced to make due to a combination of difficult circumstances on extremely unfavorable conditions for himself, which the other party took advantage of (bondage transaction), may be declared invalid by the court at the request of the victim.

If the transaction is declared invalid on one of the indicated grounds, then the other party must return to the victim everything he performed under the transaction, and if it is impossible to return what he received in kind, reimburse its value in money. The property received under the transaction by the victim from the other party, as well as due to him in compensation and transferred to the other party, shall be transferred to the income of the state. If it is impossible to transfer property to the state in kind, its value in money is collected. In addition, the other party shall compensate the victim for the expenses incurred by him, the loss or damage to his property.

Article 124. Invalidity of an imaginary and sham transaction

A transaction made only for the sake of appearance, without the intention to create legal consequences, is void (an imaginary transaction).

If a transaction is made in order to cover up another transaction (a sham transaction), then the rules relating to the transaction that the parties actually had in mind apply.

Article 125. Invalidity of a transaction that goes beyond the legal capacity of a legal entity

A transaction made by a legal entity in conflict with its statutory goals or not having a license to engage in the relevant activity may be declared invalid by a court at the suit of its founder (participant) or an authorized state body.

Article 126

If the powers of a person to make a transaction are limited by an agreement or the powers of a body of a legal entity - by its constituent documents in comparison with how they are defined in the power of attorney, in the law, or can be considered obvious from the situation in which the transaction is made, and if during its completion such a person or the body has gone beyond these restrictions, the transaction may be declared invalid by the court at the suit of the person in whose interests the restrictions are established, only in cases where it is proved that the other party to the transaction knew or obviously should have known about these restrictions.

Article 127. The moment from which the transaction is considered invalid

A transaction declared invalid is considered invalid from the moment of its conclusion. If it follows from the content of the transaction that it can only be terminated for the future, the effect of the transaction recognized as invalid shall be terminated for the future.

Article 128. Consequences of the invalidity of a part of a transaction

The invalidity of a part of the transaction does not entail the invalidity of its other parts, if it can be assumed that the transaction would have been made without including the invalid part of it.

Chapter 10. Representation and Power of Attorney

Article 129. Representation

A transaction made by one person (representative) on behalf of another person (represented) by virtue of authority based on a power of attorney, law, court decision or act of an authorized state body directly creates, changes and terminates civil rights and obligations of the represented.

It is not allowed to make a transaction through a representative, which by its nature can be made only in person, as well as other transactions in cases provided for by legislative acts.

A representative cannot make transactions on behalf of the person represented either in relation to himself personally or in relation to another person, whose representative he is at the same time, except in cases of commercial representation.

Article 130. Representation for capable persons

Capable persons may enter into transactions through their chosen representatives, except in cases where the transaction, by its nature, can only be concluded in person, as well as in cases specified in the law.

Article 131. Representation for incapacitated persons

On behalf of disabled citizens, transactions are made by their parents, adoptive parents and guardians.

Article 132. Representation without authority

A transaction made on behalf of another person by a person who is not authorized or in excess of the authority creates, changes and terminates the rights and obligations for the representee only if the transaction is subsequently approved by the representee. Such a transaction is also recognized as approved if the person represented has performed actions indicating that it has been accepted for execution.

The subsequent approval of the transaction by the represented makes it valid from the moment of conclusion.

Article 133. Commercial representation

A person who permanently and independently represents entrepreneurs on behalf of entrepreneurs when they conclude agreements (commercial representative) acts on the basis of a written agreement containing indications of the representative's powers, and in the absence of such indications, also a power of attorney.

A commercial representative may simultaneously represent the interests of different parties to an agreement concluded with his participation only with the consent of these parties, and in other cases provided for by law.

The commercial representative has the right to demand payment of the stipulated remuneration and the costs incurred by him in the execution of the order from the parties to the contract in equal shares, unless otherwise provided by the agreement between them.

The commercial representative is obliged to keep secret information about trade transactions that has become known to him even after the execution of the assignment given to him.

Features of commercial representation in certain areas of entrepreneurial activity are established by law.

Article 134. Power of attorney

A power of attorney is a written authorization issued by one person (principal) to another person (attorney) for representation before third parties. The attorney shall act within the limits of the powers granted to him by proxy.

A power of attorney on behalf of a legal entity, as well as a legal entity, can only be issued for transactions that do not contradict the objectives of the activity specified in the charter (regulation) of the legal entity.

Article 135. Form of power of attorney

The power of attorney is issued in a simple written form or notarized.

A power of attorney for transactions requiring a notarial form or actions in relation to legal entities must be notarized, except for the cases provided for by Articles 136, 137, 138 (show_doc.fwx?rgn=767#A000000143) of this Code, and other cases when a different form of power of attorney is established by law.

Article 136. Powers of attorney equivalent to notarized

The following shall be equated to notarially certified:

powers of attorney of military personnel and other persons being treated in hospitals, sanatoriums and other military medical institutions, certified by the chiefs, their deputies for the medical unit, senior and duty doctors of these institutions, except for powers of attorney for the management and disposal of motor vehicles;

powers of attorney of military personnel, and in the points of deployment of military units, formations, institutions and military educational institutions where there are no notary offices and other bodies performing notarial acts, also powers of attorney of workers and employees, their families and members of the families of military personnel, certified by the commanders (chiefs) of these units, formations, institutions and institutions, except for powers of attorney for the management and disposal of motor vehicles;

powers of attorney of persons in places of deprivation of liberty or in custody, certified by the heads of the relevant institutions, except for powers of attorney for driving and disposing of motor vehicles.

Article 137. Other forms of power of attorney

A power of attorney to receive correspondence, including cash and mail, to receive wages and other payments related to labor relations, to receive remuneration of authors and inventors, pensions, allowances and scholarships, as well as amounts from banking institutions, can be certified by an organization, in where the principal works or studies, a housing maintenance organization serving the house in which he lives, self-government bodies of citizens at his place of residence or the administration of a medical institution in which the citizen is being treated.

Article 138. Power of attorney of a legal entity

A power of attorney on behalf of a legal entity is issued signed by the head with the seal of this legal entity attached.

A power of attorney on behalf of a legal entity based on state ownership to receive or issue money and other property values must also be signed by the chief (senior) accountant of this legal entity (if there is a seal). The procedure for issuing and the form of a power of attorney for performing operations in a bank are determined by law.

(Article 138 was amended in accordance with the Law of the Republic of Uzbekistan dated 20.08.2015 No. ZRU-391 (show_doc.fwx?rgn=78724))

(see previous edition (show_red.fwx?rid=39704#A000000143))

Article 139. Term of a power of attorney

A power of attorney may be issued for a period not exceeding three years. If the term is not specified in the power of attorney, it shall remain in force for one year from the date of its issuance.

A power of attorney that does not specify the date of its issue is invalid.

A power of attorney certified by a notary intended to perform actions outside the Republic of Uzbekistan, which does not contain an indication of its validity period, remains valid until it is canceled by the person who issued the power of attorney.

Article 140. Transfer of powers by proxy to another person (transfer)

The person to whom the power of attorney has been issued must personally perform those actions for which he is authorized. It may delegate their commission to another person, if it is authorized to do so by a power of attorney or forced to do so by force of circumstances to protect the interests of the person who issued the power of attorney.

A power of attorney by which powers are transferred to another person must be notarized, except for the cases provided for in Articles 136 (show_doc.fwx?rgn=767#A000000141) , 137 (show_doc.fwx?rgn=767#A000000142) , 138 of this Code.

The term of validity of a power of attorney issued by substitution may not exceed the term of validity of the main power of attorney on the basis of which it was issued.

The person who delegated authority to another person must notify the person who issued the power of attorney and provide him with the necessary information about this person and his place of residence. Failure to fulfill these obligations makes the delegate responsible for the actions of the person to whom he delegated the authority, as for his own.

Article 141. Termination of a power of attorney

The power of attorney is terminated due to:

1) expiration of the power of attorney;

2) cancellation of the power of attorney by the person who issued it;

3) refusal of the person to whom the power of attorney was issued;

4) termination of activities of the legal entity on behalf of which the power of attorney was issued;

5) termination of activities of the legal entity in whose name the power of attorney was issued;

6) recognition of the citizen who issued the power of attorney as incapacitated, partially incapacitated, missing, or his death;

7) recognition of a citizen to whom a power of attorney has been issued as incapable, partially capable, missing, or his death.

The person who issued the power of attorney may at any time revoke the power of attorney, and the person to whom the power of attorney has been issued may revoke it. The agreement to waive this right is void.

With the termination of the power of attorney, the power of attorney ceases to be valid.

Article 142. Notification of persons on the termination of a power of attorney

The person who issued the power of attorney is obliged to notify the person to whom the power of attorney was issued, as well as third parties known to him, for representation before whom the power of attorney was given, about its cancellation. The same obligation shall be imposed on the legal successors of the person who issued the power of attorney in cases of its termination on the grounds provided for in paragraphs 4-7 of the first part of Article 141 (show_doc.fwx?rgn=767#B3YB0ZS6LK) of this Code.

Article 143

Actions committed by a person to whom a power of attorney was issued before this person knew or should have known about the termination of the power of attorney shall remain valid for the issuer of the power of attorney or his successors in relation to third parties.

Actions committed by a person to whom a power of attorney was issued after this person knew or should have known about the termination of the power of attorney do not give rise to rights and obligations for the person who issued the power of attorney.

The rules of this article shall not apply if the third party knew or should have known that the power of attorney has expired.

Section 144. Obligation to Return a Power of Attorney

Upon termination of the power of attorney, the person to whom it was issued, or his heirs (legal successors) must immediately return the power of attorney.

Subsection 5. Deadlines. Limitation of actions

Chapter 11

Article 145. Determining the term

The term established by the legislation or the transaction, as well as the term appointed by the court is determined by the calendar date or the expiration of a period of time, which is calculated in years, months, weeks, days or hours.

The term can also be determined by an indication of an event that must inevitably occur.

Article 146. Beginning of a term determined by a period of time

The course of a period determined by a period of time begins on the next day after the calendar date or the occurrence of the event that determines its beginning.

Article 147

A term calculated in years shall expire on the respective month and day of the last year of the term.

The rules for periods calculated in months shall apply to a time limit of six months.

For periods calculated in quarters of the year, the rules for periods calculated in months apply. In this case, a quarter is considered equal to three months, and the quarters are counted from the beginning of the year.

A term calculated in months shall expire on the corresponding day of the last month of the term.

A time limit of half a month shall be regarded as a period calculated in days and shall be considered equal to fifteen days.

If the end of a period calculated in months falls on a month in which there is no corresponding date, then the period shall expire on the last day of that month.

A term calculated in weeks shall expire on the corresponding day of the last week of the term.

Article 148

If a term is set for the performance of any action, it may be performed before twenty-four hours of the last day of the term.

If this action must be performed in an organization, then the period expires at the hour when the corresponding operations are terminated in this organization according to the established rules.

All written applications and notices, money transfers submitted to a communication organization or transmitted by other means of communication before twenty-four hours of the last day of the term are considered to be made on time.

Chapter 12

Article 149. Concept of limitation period

The limitation period is the period within which a person can protect his violated right by filing a claim.

Article 150. General limitation period

The general statute of limitations is three years.

Article 151. Special limitation periods

For certain types of claims, the legislation may establish special limitation periods, reduced or longer in comparison with the general period.

The rules of Articles 152-162 (show_doc.fwx?rgn=767#A000000156) of this Code shall apply to special limitation periods, unless otherwise provided by law.

(Article 151 was amended in accordance with the Law of the Republic of Uzbekistan dated March 20, 2019 No. ZRU-531 (show_doc.fwx?rgn=115138))
(see previous edition (show_red.fwx?rid=82848#A000000156))

Article 152. Invalidity of an agreement on changing the limitation period

Limitation periods and the procedure for their calculation cannot be changed by agreement of the parties.

The grounds for suspension and interruption of the course of limitation periods are established by this Code.

Article 153. Application of limitation period

The claim for the protection of the violated right is accepted for consideration by the court, regardless of the expiration of the limitation period.

The limitation period is applied by the court only at the request of the party to the dispute, made before the court makes a decision.

The expiration of the limitation period, the application of which is declared by the party to the dispute, is the basis for the court to issue a decision to dismiss the claim.

Article 154

The running of the limitation period begins from the day when the person knew or should have known about the violation of his right. Exceptions from this rule are established by this Code and other laws.

For obligations with a certain performance period, the limitation period begins at the end of the performance period.

For obligations, the term of performance of which is not determined or is determined by the moment of demand, the limitation period begins from the moment when the creditor has the right to present a demand for the fulfillment of the obligation, and if the debtor is presented with a grace period for the fulfillment of such a requirement, the calculation of the limitation period begins at the end of the specified period .

For recourse obligations, the limitation period begins from the moment the main obligation is fulfilled.

Article 155

The change of persons in the obligation does not entail a change in the limitation period and the procedure for its calculation.

Article 156. Suspension of the running of the limitation period

The limitation period is suspended:

1) if the filing of a claim was prevented by an extraordinary and unavoidable event under the given conditions (force majeure);

2) due to the deferment of fulfillment of obligations (moratorium) established by the Government of the Republic of Uzbekistan;

3) if the plaintiff or defendant is in the Armed Forces, border and internal troops, transferred to martial law;

4) if the incapacitated person has no legal representatives;

5) by virtue of the suspension of the act of legislation regulating the relevant relationship;

6) in case of conclusion of an agreement on conducting the mediation procedure.

The limitation period shall be suspended if the circumstances specified in this article arose or continued to exist in the last six months of the limitation period, and if this period is less than six months, during the limitation period.

From the date of termination of the circumstance that served as the basis for the suspension of the limitation period, the limitation period continues, while the remaining part of the period is extended to six months and, if the limitation period was less than six months, to the limitation period.

(Article 156 was amended in accordance with the Law of the Republic of Uzbekistan dated March 20, 2019 No. ZRU-531 (show_doc.fwx?rgn=115138))
(see previous edition (show_red.fwx?rid=82848#A000000161))

Article 157

The course of the limitation period is interrupted by filing a claim in the prescribed manner, as well as by the obligated person performing actions indicating recognition of the debt.

After a break, the limitation period begins anew, and the time that has elapsed before the break is not included in the new period.

Article 158

If the claim is left by the court without consideration, then the limitation period that began before the filing of the claim continues in the general manner.

If the court leaves without consideration a claim brought in a criminal case, then the running of the limitation period that began before the filing of the claim is suspended until the entry into force of the judgment by which the claim was left without consideration, and the time during which the limitation period was suspended is not included in the period of the claim. prescription. At the same time, if the remaining part of the term is less than six months, it is extended to six months.

Article 159. Restoration of the limitation period

If the court recognizes a valid reason for missing the limitation period, the violated right is subject to protection. Reasons for missing the limitation period may be recognized as valid if they occurred in the last six months of the limitation period, and if this period is equal to six months or less than six months, during the limitation period.

Article 160. Suspension, interruption and restoration of the special limitation period

The rules on suspension, interruption and restoration of the limitation period (Articles 156 (show_doc.fwx?rgn=767#A000000161) , 157 (show_doc.fwx?rgn=767#A000000162) , 159 of this Code) shall also apply to the special limitation period, unless otherwise provided by law.

Article 161

A person who has performed an obligation after the expiration of the limitation period is not entitled to demand back what was performed, regardless of whether he knew or did not know at the time of performance of the expiration of the limitation period.

Article 162. Application of limitation period to additional claims

With the expiration of the limitation period for the main claim, the limitation period also expires for additional claims (forfeit, pledge, guarantee, etc.).

Article 163

The limitation period does not apply to:

requirements for the protection of personal non-property rights and other intangible benefits, except as provided by law;

requirements of depositors to the bank for the issuance of deposits;

claims for compensation for harm caused to the life or health of a citizen. Claims filed after the expiration of the limitation period shall be satisfied no more than three years prior to the filing of the claim;

claims for compensation for damage caused by the crime;

the demands of the owner or other owner to eliminate any violations of his right, although these violations were not related to deprivation of possession (Article 231 (show_doc.fwx?rgn=767#A000000237) of this Code);

demands for the return of property of historical, cultural, scientific and artistic value, and other valuable objects taken out of the country before the declaration of its independence;

other requirements in cases established by law.

(Article 163 was amended in accordance with the Law of the Republic of Uzbekistan dated March 20, 2019 No. ZRU-531 (show_doc.fwx?rgn=115138))
(see previous edition (show_red.fwx?rid=82848#A000000168))

Section II. Ownership and other rights in rem

Chapter 13. General Provisions

Article 164. The concept of ownership

The right of ownership is the right of a person to own, use and dispose of his property at his own discretion and in his own interests, as well as to demand the elimination of any violations of his property rights, no matter who they come from. Ownership is perpetual.

Article 165. Content of property rights of persons who are not owners

Real rights, along with the right of ownership, in particular, are:

the right of economic management and the right of operational management;

the right of lifetime inheritable possession of a land plot;

the right to permanent possession and use of a land plot;

easements.

The transfer of ownership of property to another person is not a ground for termination of other real rights to this property, unless otherwise provided by law.

Property rights of a person who is not an owner shall be protected from their violation in the manner prescribed by Article 232 (show_doc.fwx?rgn=767#A000000238) of this Code.

Article 166. Inviolability of property

Property is inviolable and protected by law.

The inviolability of property consists in refraining from violating property rights by all entities opposed to the owner.

Withdrawal of property from the owner, as well as restriction of his powers is allowed only in cases provided for by law.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Article 167. Forms of ownership

Property in the Republic of Uzbekistan acts in the form of private and public.

Article 168. Subjects of the right of ownership

The subjects of property rights are citizens, legal entities and the state.

Property may be owned by one person or by two or more persons.

Features of the acquisition and termination of the right of ownership to property, possession, use and disposal of it, depending on whether the property is owned by a citizen, a legal entity or the state, are established by law.

Article 169. Objects of ownership

Land, subsoil, water, air space, flora and fauna and other natural resources, enterprises, things, including buildings, apartments, structures, equipment, raw materials and products, money, securities and other property, and as well as intellectual property.

Article 170. Ownership and other real rights to land and other natural resources

The right of ownership and other real rights to land and other natural resources are regulated by this Code and other laws.

Article 171

Features of the implementation of the right of ownership and other real rights to housing are regulated by law.

Article 172. Conditions for exercising the right of ownership

The exercise by the owner of his powers must not violate the rights and legally protected interests of other persons.

In cases, on the conditions and within the limits provided for by legislative acts, the owner is obliged to allow the limited use of his property by other persons.

The owner is not entitled to abuse his dominant position, to commit other actions that infringe on the rights and legally protected interests of other persons.

When exercising his right, the owner is obliged to take measures to prevent damage to the health of citizens and the environment.

Article 173

The owner of immovable property (a land plot, other real estate) has the right to demand from the owner of a neighboring land plot, and, if necessary, from the owner of another land plot, granting the right to limited use of someone else's land plot (servitude).

An easement may be established to ensure the passage and passage through someone else's land, the laying and operation of power lines, communications and pipelines, the provision of water supply, as well as other needs of the owner of immovable property that cannot be provided without the establishment of an easement.

Encumbrance of a land plot with an easement does not deprive the owner of the land plot of the rights of possession, use and disposal of this plot.

An easement is established by agreement between the person requiring the establishment of an easement and the owner of someone else's land and is subject to registration in the manner established for registration of rights to immovable property. In case of failure to reach an agreement on the establishment or conditions of the servitude, the dispute is resolved by the court at the suit of the person demanding the establishment of the servitude.

On the terms and in the manner provided for by the first , second (show_doc.fwx?rgn=767#B3YB0ZT6HB) , third (show_doc.fwx?rgn=767#B3YB0ZTEMP) and fourth (show_doc.fwx?rgn=767#B3YB0ZTOQP)parts (show_doc.fwx?rgn=767#B3YB0ZSY5W) of this article, an easement may also be established in the interests and at the request of the person to whom the land was granted on the basis of the right of lifetime inheritable possession or the right of permanent possession and use. (show_doc.fwx?rgn=767#B3YB0ZT6HB) (show_doc.fwx?rgn=767#B3YB0ZTEMP) (show_doc.fwx?rgn=767#B3YB0ZTOQP)

The owner of a plot encumbered with an easement has the right, unless otherwise provided by law, to demand from the person in whose interests the easement is established, a proportionate payment for the use of the plot.

Article 174. Burden of maintenance of property

The owner bears the burden of maintaining the property belonging to him, unless otherwise provided by law or the contract.

Article 175. Risk of accidental loss or damage to property

The risk of accidental loss or damage to property shall be borne by the owner of the property, unless otherwise provided by law or contract.

Chapter 14. The right of economic management. The right of operational management

Article 176. Right of economic management

The unitary enterprise, which owns the property on the right of economic management, owns, uses and disposes of this property within the limits determined by this Code.

Article 177

The owner of property under economic management, in accordance with the law, decides the issue of creating an enterprise, determining the subject and goals of its activities, its reorganization and liquidation, appoints a director (manager) of the enterprise, exercises control over the intended use and safety of the property belonging to the enterprise.

The owner has the right to receive a part of the profit from the use of property under the economic management of the enterprise.

A unitary enterprise is not entitled to sell the immovable property owned by it under the right of economic management, lease it, pledge it, make a contribution to the charter fund of economic partnerships and companies, or otherwise dispose of this property without the consent of the owner.

The rest of the property belonging to the enterprise, it manages independently.

Article 178. Right of operational management

A state enterprise, as well as an institution, in relation to the property assigned to them, shall exercise, within the limits established by law, in accordance with the goals of their activities, the tasks of the owner and the purpose of the property, the right to own, use and dispose of it.

The owner of property assigned to a state enterprise or institution has the right to seize excess, unused or misused property and dispose of it at his own discretion.

Article 179

A state enterprise has the right to alienate or otherwise dispose of the property assigned to it only with the consent of the owner of this property.

A state enterprise independently sells its products, unless otherwise provided by law.

The procedure for distributing the income of a state enterprise is determined by the owner of its property.

Article 180. Disposition of property of an institution

The institution is not entitled to alienate or otherwise dispose of the property assigned to it and property acquired at the expense of funds allocated to it according to the estimate.

If, in accordance with the constituent documents, the institution is granted the right to carry out income-generating activities, then the income received from such activity and the property acquired at the expense of these incomes shall be at the independent disposal of the institution and accounted for on a separate balance sheet.

Article 181. Acquisition and termination of the right of economic management and the right of operational management

The right of economic management or the right of operational management of property, in respect of which the owner has decided to assign to a unitary enterprise or institution, arises from this enterprise or institution from the moment the property is transferred, unless otherwise established by law or by the decision of the owner.

The fruits, products and income from the use of property under economic management or operational management, as well as property acquired by a unitary enterprise or institution under an agreement or other grounds, shall come into economic management or operational management of an enterprise or institution in the manner prescribed by this Code, otherwise. legislation to acquire ownership.

The right of economic management and the right of operational management of property shall be terminated by decision of the owner and on other grounds provided for by law.

Chapter 15. Acquisition and termination of ownership

Article 182. Grounds for acquiring the right of ownership

The grounds for acquiring property rights are: labor activity; entrepreneurial and other economic activities related to the use of property, including the creation, increment, acquisition of property through transactions; privatization of state property; inheritance; acquisitive prescription; other grounds that do not contradict the law.

Article 183. Creation and increment of property

The right of ownership may arise as a result of the creation of a new property and the increment of the owner's existing property.

The results of economic and other use of property, including products, fruits and other income, belong to the owner of the property, unless otherwise provided by law or an agreement.

Article 184. Acquisition of property under a transaction

Property may be acquired into ownership on the basis of contracts of sale, exchange, donation and other transactions not prohibited by law.

When property is transferred to a new owner, the rights and obligations of the former owner are transferred to him by way of universal legal succession, unless otherwise stipulated by legislative acts.

Article 185

The right of ownership of the acquirer of property under the contract arises from the moment of transfer of the thing, unless otherwise provided by law or the contract.

If an agreement on the alienation of property is subject to state registration or notarization, the acquirer's ownership right arises from the moment of registration or certification of the agreement, and, if necessary, notarization and state registration of the agreement - from the moment of its registration.

Article 186. Transfer of things

Handing over of things to the acquirer is recognized as a transfer, as well as handing over to a transport organization or a communication organization for sending to the acquirer of things alienated without the obligation of delivery.

The thing shall be considered handed over to the acquirer from the moment of its actual receipt into the possession of the acquirer or the person indicated by him.

If by the time of the conclusion of the agreement on the alienation of the thing it is already in the possession of the acquirer, the thing is recognized as transferred to him from that moment.

The transfer of a thing is equivalent to the transfer of a bill of lading or other document of title to it.

Article 187. Acquisitive prescription

A person who is not the owner of the property, but in good faith, openly and continuously owns as his own real estate for fifteen years or other property for five years, acquires the right of ownership to this property (acquisitive prescription).

The right of ownership to immovable and other property subject to state registration arises from the person who has acquired this property by virtue of acquisitive prescription from the moment of such registration.

Prior to acquiring the right of ownership to property by virtue of acquisitive prescription, a person who owns property as his own has the right to protect his possession against third parties who are not owners of the property, as well as who do not have the right to own it by virtue of another ground provided by law or contract.

A person referring to the prescription of possession may add to the time of his possession all the time during which this property was owned by the person whose legal successor this person is.

The course of the acquisitive limitation period in respect of things held by the person from whose possession they could be claimed in accordance with Articles 228, 229 (show_doc.fwx?rgn=767#A000000234) , 230 (show_doc.fwx?rgn=767#A000000236) and 232 (show_doc.fwx?rgn=767#A000000238) of this Code shall begin not earlier than the expiration of the limitation period for the relevant claims.

Article 188. Ownership of land plots

The right of ownership of citizens and legal entities to land plots arises in cases, in the manner and on the conditions provided for by law.

Article 189

Legislation may determine the procedure and conditions for turning into the property of citizens by collecting or otherwise permitted by wild fruits, nuts, mushrooms, berries and other publicly accessible objects of flora, fauna and inanimate nature.

Article 190. Mismanagement of objects of material cultural heritage

If the owner mishandles the object of material cultural heritage belonging to him and does not ensure its safety, the relevant authorities exercising state administration in the field of protection and use of cultural heritage objects shall warn the owner to stop the mismanagement of the object of material cultural heritage. If the owner does not comply with this requirement, then at the suit of the relevant authorities, the court may decide to withdraw the object of material cultural heritage, which becomes the property of the state. The owner is reimbursed for the cost of the seized object of material cultural heritage in the amount established by the agreement, and in the event of a dispute - by the court.

In case of urgency, a claim for the seizure of an object of tangible cultural heritage may be brought without prior warning.

(Article 190 is set out in a new edition in accordance with the Law of the Republic of Uzbekistan dated April 18, 2018 No. ZRU-476 (show_doc.fwx?rgn=105914))
(see previous edition (show_red.fwx?rid=68895#A000000001))

Article 191. Ownerless thing

Ownerless is a thing that does not have an owner or whose owner is not known.

Unless this is excluded by the rules on finds, on neglected animals and treasure, the right of ownership to ownerless movable things may be acquired by virtue of acquisitive prescription.

Ownerless immovable things are registered by the body that carries out the state registration of immovable property, at the request of the relevant state body or self-government body of citizens.

After three years have elapsed from the date of registration of an ownerless immovable thing, the body authorized to manage state property or the self-government body of citizens may apply to the court with a demand to recognize this thing as state property or the property of a self-government body of citizens.

An ownerless immovable thing not recognized by a court decision as having entered state ownership may be re-accepted into possession, use and disposal by the owner who left it, or acquired into ownership by virtue of acquisitive prescription.

The procedure for identifying and recording ownerless things is determined by the Government of the Republic of Uzbekistan.

(Article 191 was amended in accordance with the Law of the Republic of Uzbekistan dated April 25, 2016 No. ZRU-405 (show_doc.fwx?rgn=85573))
(see previous edition (show_red.fwx?rid=57776#A000000196))

Article 192

The finder of the lost thing is obliged to immediately notify the person who lost it, or the owner of the thing, or any other person known to him who has the right to receive it, and return the found thing to this person.

If a thing is found in a room or on a vehicle, it must be handed over to the person representing the owner of this room or means of transport. The person to whom the find is handed over shall acquire the rights and bear the obligations of the person who has found the thing.

If the person who has the right to demand the return of the found thing is unknown or its location is unknown, the finder of the thing is obliged to declare the find to the internal affairs body, the relevant state body or self-government body of citizens.

The finder of the thing has the right to keep it at his place or to deposit it with the body of internal affairs, the relevant state body or self-government body or the person indicated by them.

(Article 192 was amended in accordance with the Law of the Republic of Uzbekistan dated May 23, 2019 No. ZRU-542 (show_doc.fwx?rgn=115921))
(see previous edition (show_red.fwx?rid=84210#A000000197))

Article 193

If, within six months from the moment of reporting the find to the internal affairs body or the relevant state body, the person entitled to receive the lost thing is not established and does not declare his right to the thing to the person who found it or the internal affairs body or the relevant state body or self-government body who finds a thing acquires the right of ownership to it.

If the finder of the thing refuses to acquire ownership of the found thing, it shall become state property.

(Article 193 was amended in accordance with the Law of the Republic of Uzbekistan dated May 23, 2019 No. ZRU-542 (show_doc.fwx?rgn=115921))
(see previous edition (show_red.fwx?rid=84210#A000000198))

Article 194

The person who found and returned the thing to the person entitled to receive it has the right to receive from this person, and in cases of transfer of the thing into state ownership or the property of a citizens' self-government body - from the relevant state body or citizens' self-government body, reimbursement of expenses associated with storage, delivery or sale thing, as well as the costs of finding a person entitled to receive the thing.

The finder of the thing has the right to demand from the person entitled to receive the thing a reward for the discovery in the amount of up to twenty percent of the value of the thing.

If the found documents or other things are of value only to the person entitled to receive them, the amount of remuneration is determined by agreement with this person, and in case of failure to reach an agreement - by the court. In the event that a person authorized to demand the return of a found thing has publicly promised a reward for the find, the reward is paid on the terms of the public promise of the reward.

The right to remuneration does not arise if the finder of the thing did not declare the find or tried to conceal it.

Article 195. Stray animals

The detainer of neglected or stray livestock or other neglected domestic or tamed animals is obliged to return them to their owner, and if the owner of the animals or his whereabouts are unknown, not later than three days from the moment of detention, report the discovered animals to the internal affairs body, the relevant state body or self-government body of citizens, who are taking steps to find the owner.

At the time of the search for the owner of the animals, they may be left by the person who detained them, at his own expense and in use, or handed over for maintenance to the use of another person who has the necessary conditions for this. At the request of the person who detained neglected animals, the search for a person who has the necessary conditions for their maintenance, and the transfer of animals to him, is carried out by the departments for catching neglected animals at the district and city departments of improvement, the relevant state body or self-government body of citizens.

The person who detained neglected animals, and the person to whom they were transferred for keeping and use, are obliged to properly maintain them and, if guilty, are responsible for the death and damage of animals within the limits of their value.

(Article 195 was amended in accordance with the Law of the Republic of Uzbekistan dated May 23, 2019 No. ZRU-542 (show_doc.fwx?rgn=115921))
(see previous edition (show_red.fwx?rid=84210#A000000200))

Article 196. Treasure

Treasure, that is, money or valuable items buried in the ground or otherwise hidden, the owner of which cannot be established or by virtue of law has lost the right to them, becomes the property of the person who owns the property (land plot, building, etc.) where the treasure was hidden, and the person who discovered the treasure, in equal shares, unless otherwise established by agreement between them.

If a treasure is discovered by a person who excavated or searched for valuables without the consent of the owner of the land plot or other property where the treasure was hidden, the treasure is subject to transfer to the owner of the land plot or other property where the treasure was discovered.

In case of discovery of a treasure containing things related to objects of material cultural heritage, they are subject to transfer to state ownership. In this case, the owner of the land plot or other property where the treasure was hidden, and the person who discovered the treasure, together have the right to receive a reward in the amount of fifty percent of the value of the treasure. The remuneration shall be distributed among these persons in equal shares, unless otherwise provided by agreement between them.

If such a treasure is discovered by a person who excavated or searched for valuables without the consent of the owner of the property where the treasure was hidden, the reward to this person is not paid and goes to the owner in full.

The rules of this article do not apply to persons whose labor or official duties included conducting excavations and searches aimed at discovering the treasure.

(Article 196 was amended in accordance with the Law of the Republic of Uzbekistan dated April 18, 2018 No. ZRU-476 (show_doc.fwx?rgn=105914))
(see previous edition (show_red.fwx?rid=68895#A000000201))

Article 197. Grounds for termination of the right of ownership

The right of ownership is terminated by the owner's voluntary fulfillment of an obligation, the adoption by the owner of a unilateral decision that determines the fate of the property, the seizure (purchase) of property on the basis of a court decision, as well as an act of legislation that terminates the right of ownership on the basis of the law .

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Article 198. Liquidation and write-off of property

Termination of the right of ownership as a result of the destruction of property (liquidation) is allowed in cases where this does not contradict the law.

Destruction by the owner of property of historical, scientific, artistic or other cultural value is not allowed. In exceptional cases, by a court decision, the said property may be confiscated or its value recovered if it is destroyed.

The termination of the right of ownership as a result of the write-off of property from the balance sheet of a legal entity is carried out in the manner and on the terms provided for by law or constituent documents.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Article 199. Seizure of property from the owner

Withdrawal of property from the owner is allowed only when foreclosure is levied on this property for the obligations of the owner in the cases and in the manner prescribed by law, as well as in the manner of nationalization, requisition and confiscation.

If the property of a person turned out to be property that, in accordance with the law, cannot belong to him, the right of ownership to this property is terminated in a judicial proceeding with compensation to the person for the value of the seized property.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Article 200. Undisputed collection of debt

Undisputed collection of debts on obligations, including debts on payments to the budget, is allowed in cases provided for by law.

In case of disagreement with the decision on indisputable recovery, the owner has the right to apply to the court.

Article 201

Features of the acquisition and termination of ownership of precious metals and stones in raw and processed form (with the exception of jewelry and other household products) are determined by law.

Article 202. Nationalization

Nationalization is a paid transfer of ownership of nationalized property belonging to citizens and legal entities to the state in accordance with the law.

In the event of subsequent denationalization of the said property, the former owners have the right to demand the return of this property, unless otherwise provided by legislative acts.

Article 203. Requisition

In the event of natural disasters, accidents, epidemics, epizootics and under other circumstances of an emergency nature, property in the interests of society, by decision of state authorities, may be withdrawn from the owner with payment of the value of the property (requisition) to him in the manner and on the conditions established by law.

Upon termination of the circumstances in connection with which the requisition was made, the former owner of the requisitioned property has the right to demand the return of the remaining property to him.

Article 204. Confiscation

In cases stipulated by law, property may be confiscated from the owner free of charge by a court decision for the commission of a crime or other offense (confiscation).

Article 205

The value of the seized property upon termination of the right of ownership is determined by the appraisal organization at the time of termination of the right of ownership, unless otherwise provided by law.

The assessment according to which the cost of the seized property is reimbursed to the owner may be challenged by him in court.

The owner also has the right to demand compensation for other losses caused by the seizure of property.

Article 206

Termination of the right of ownership in connection with a decision of a state body that is not directly aimed at seizing property from the owner, including a decision to seize a land plot on which a house, other buildings, structures or plantings owned by the owner is located, is allowed only in cases and in the manner established by by law, with the provision to the owner of equivalent property on the basis of the right of ownership and compensation for other losses incurred or compensation to him in full for losses caused by the termination of the right of ownership.

Determination of the market value of a house, other buildings, structures or plantings located on the withdrawn land plot, as well as the right to a land plot, is carried out by appraisal organizations in the prescribed manner. At the same time, the market value of the seized property and the right to a land plot upon termination of the right to private property is determined by the appraisal organization at the moment immediately preceding the seizure of this property, or when the news of the upcoming seizure affected the market value of the property and the right to a land plot.

Demolition of a house, other buildings, structures or plantings on the withdrawn land until the preliminary and full compensation for losses at market value is not allowed.

If the owner disagrees with the decision entailing the termination of the right of ownership, it cannot be carried out until the dispute is resolved by the court. When considering a dispute, all issues of compensation to the owner for the losses caused are also resolved.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 07.11.2022 No. ZRU-801 (show_doc.fwx?rgn=145001))
(see previous edition (show_red.fwx?rid=125968))

Chapter 16

Article 207. Right of private property

The right of private property is the right of a person to own, use and dispose of property acquired by him in accordance with the law.

The number and value of property in private ownership is not limited.

Article 208. Subjects of the right of private property

Citizens, business partnerships and companies, cooperatives, public associations, public funds and other non-state legal entities are recognized as subjects of private property rights.

Article 209. Objects of the right of private property

Any property may be in private ownership, with the exception of certain types of property that are prohibited by law.

Article 210

The right of ownership to a newly erected residential building on a land plot allocated in accordance with the established procedure arises from the moment of state registration.

The right of ownership to a residential house (apartment) owned by the state arises in the manner of privatization provided for by law.

The right of ownership to a cooperative residential building, apartment, garage, dacha and other buildings comes after the member of the cooperative has fully paid the share contributions.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 14.01.2020 No. ZRU-602 (show_doc.fwx?rgn=122408))
(see previous edition (show_red.fwx?rid=94438))

Article 211. Common property of owners of residential and non-residential premises in an apartment building

The owners of residential and non-residential premises in an apartment building own, on the basis of shared ownership, common property, including the common premises of this building, load-bearing and enclosing structures, inter-apartment staircases, stairs, elevators, elevator and other shafts, corridors, technical floors, basements, attics and roofs, intra-house engineering networks and communications, mechanical, electrical, sanitary and other equipment and devices located outside or inside the premises and serving more than one premises.

The size of the shares of the owners of residential and non-residential premises in the ownership of common property in an apartment building and the procedure for distributing the costs of maintaining and preserving this property among the owners are determined in accordance with housing legislation.

A participant in shared ownership of common property in an apartment building is not entitled to alienate his share, refuse it in favor of citizens or legal entities, or perform other actions that entail transferring it separately from the ownership of his residential or non-residential premises.

Article 212. Unauthorized construction and its consequences

Unauthorized construction is a residential house, other building, structure or other immovable property created on a land plot not allocated for these purposes in the manner prescribed by law, as well as created without obtaining the necessary permission for this or with a significant violation of architectural and building norms and rules .

A person who has carried out unauthorized construction shall not acquire the right of ownership to it. It does not have the right to dispose of the building to sell, donate, rent, or make other transactions.

Unauthorized construction at the claim of a person whose rights have been violated, or of a relevant state body, is subject to demolition by a court decision by the person who carried it out or at his expense, except for the cases provided for by part four of this article.

The right of ownership to an unauthorized construction may be recognized by the court for a person who owns, inherits for life, permanently owns and uses the land plot where the construction is carried out. In this case, the person who has recognized the right of ownership of the building shall reimburse the person who carried it out for the costs of the building in the amount determined by the court.

The right of ownership to an unauthorized structure cannot be recognized if the preservation of the structure would entail a violation of the rights and legally protected interests of other persons or would pose a threat to the life and health of citizens.

(Article 212 was amended in accordance with the Law of the Republic of Uzbekistan dated March 4, 2019 No. ZRU-526 (show_doc.fwx?rgn=114181))
(see previous edition (show_red.fwx?rid=85463#A000000217))

Chapter 17. Public Property

Article 213. The concept of public property

Public property is state property, which consists of republican property and property of administrative-territorial formations (municipal property).

Property relations in the Republic of Karakalpakstan, including public property, are regulated by this Code, as well as by the legislation of the Republic of Karakalpakstan.

Article 214. Republican property

Republican ownership includes land, subsoil, water, air space, flora and fauna and other natural resources, property of republican bodies of state power and administration, objects of material cultural heritage of state significance, funds of the republican budget, gold reserves, foreign exchange fund and other state funds , and there may also be enterprises and other property complexes, educational, scientific, research institutions and organizations, the results of intellectual activity that are created or acquired at the expense of budgetary or other state funds, and other property.

Property owned by the republican is disposed of by the Oliy Majlis of the Republic of Uzbekistan, the President of the Republic of Uzbekistan, the Government of the Republic of Uzbekistan or bodies authorized by them, unless otherwise provided by law.

Property owned by the republic may be assigned to legal entities on the basis of the right of economic management or operational management.

Republican property is created at the expense of taxes and other obligatory payments to the republican budget, as well as at the expense of other receipts on the grounds provided for by legislative acts.

Objects of republican property may be alienated into private ownership in the manner and under the conditions established by law.

(Article 214 was amended in accordance with the Law of the Republic of Uzbekistan dated April 18, 2018 No. ZRU-476 (show_doc.fwx?rgn=105914))
(see previous edition (show_red.fwx?rid=68895#A000000219))

Article 215. Municipal property

Municipal property includes the property of local government bodies, funds of the local budget, municipal housing stock and public utilities, enterprises and other property complexes, institutions of public education, culture, healthcare, as well as other property.

Municipal property shall be disposed of by local government bodies or bodies authorized by them, unless otherwise provided by law.

Municipal property may be assigned to legal entities on the basis of the right of economic management or operational management.

Municipal property is created at the expense of taxes and other obligatory payments to the local budget, as well as at the expense of other revenues on the grounds provided for by law.

Objects of municipal property may be alienated into private ownership in the manner and under the conditions established by law.

Chapter 18

Article 216. The concept and grounds for the emergence of common property

Property owned by two or more persons belongs to them on the basis of common ownership.

The property may be in common ownership with determination of the share of each of the owners in the ownership right (share ownership) or without determination of such shares (joint ownership).

Common ownership of property is shared, except for cases where the law provides for the formation of joint ownership of this property.

Common joint property arises when two or more persons receive property that cannot be divided without changing its purpose (indivisible things) or is not subject to division by virtue of law.

Common joint ownership of divisible property arises in cases provided for by law or by agreement.

By agreement of the participants in joint ownership, and in case of failure to reach an agreement, by a court decision, shared ownership of these persons may be established on the common property.

Article 217. Determination of shares in the right of shared ownership

If the shares of participants in shared ownership cannot be determined on the basis of the law and are not established by agreement of all its participants, the shares are considered equal.

An agreement between all participants in shared ownership may establish the procedure for determining and changing their shares, depending on the contribution of each of them to the formation and increment of common property.

A participant in shared ownership who has made inseparable improvements to this property at his own expense, in compliance with the established procedure for the use of common property, has the right to a corresponding increase in his share in the right to common property.

Separable improvements to the common property, unless otherwise provided by an agreement between the participants in shared ownership, shall become the property of the participant who made them.

Article 218

The disposal of property in shared ownership is carried out by agreement of all its participants.

A participant in shared ownership has the right, at his own discretion, to sell, donate, bequeath, pledge his share or otherwise dispose of it in compliance with the rules provided for by Article 224 (show_doc.fwx?rgn=767#A000000229) of this Code in case of its paid alienation.

Article 219

The possession and use of common property in shared ownership is carried out by agreement of all its participants. If such consent is not reached, the possession and use of common property in shared ownership shall be carried out in the manner established by the court.

A participant in shared ownership has the right to provide for his possession and use of a part of the common property commensurate with his share, and if this is not possible, he has the right to demand appropriate compensation from other participants who own and use the property attributable to his share.

Article 220

The fruits, products and income from the use of property in shared ownership shall be included in the common property and distributed among the participants in shared ownership in proportion to their shares, unless otherwise provided by an agreement between them.

Article 221

Each owner is obliged, in proportion to his share, unless otherwise provided by the agreement, to participate in the payment of taxes and other obligatory payments on common property, as well as in the costs of maintaining and preserving it.

Expenses that are not necessary and are made by one of the owners without the consent of the others, fall on him. Disputes arising from this are subject to resolution in court.

Article 222

A share in the right of common ownership passes to the acquirer under the contract from the moment the contract is concluded, unless otherwise provided by agreement of the parties.

The moment of transfer of a share in the right of common ownership under an agreement subject to state registration is determined in accordance with part two of Article 185 (show_doc.fwx?rgn=767#A000000190) of this Code.

Article 223

Shared property may be divided among its participants by agreement between them.

A participant in shared ownership has the right to demand that his share be separated from the common property.

If the participants in shared ownership fail to reach an agreement on the method and conditions for dividing the common property or apportioning the share of one of them, the participant in shared ownership has the right to demand in court the division of his share in kind.

If the separation of a share in kind is not allowed by law or is impossible without disproportionate damage to property in common ownership, the separated owner has the right to payment to him of the value of his share by other participants in shared ownership.

The disproportion between the property allocated in kind to a participant in shared ownership on the basis of this article and his share in the ownership right shall be eliminated by payment of an appropriate amount of money or other compensation.

The payment of compensation to a participant in shared ownership by other owners of compensation instead of the allocation of his share in kind is allowed with his consent. In cases where the share of the owner is insignificant, cannot be really allocated and he does not have a significant interest in the use of the common property, the court may, even in the absence of the consent of this owner, oblige the other participants in the shared ownership to pay compensation to him.

With the receipt of compensation in accordance with this article, the owner loses the right to a share in the common property.

Article 224. Right of pre-emption

When one of the owners sells his share to another person, the remaining owners have the right of priority to purchase the share being sold at the price for which it is being sold, and on other equal terms, except in cases of sale at public auction.

The seller of a share in common property is obliged to notify the other owners in writing of the intention to sell his share to an outsider, indicating the price and other conditions on which he sells it.

If the other owners refuse to exercise the right of first refusal or do not exercise this right within a month in relation to immovable property, and in relation to other property - within ten days from the date of notification, the seller has the right to sell his share to any person.

When selling a share in violation of the right of pre-emption, other owners within three months have the right to demand in court that the rights and obligations of the buyer be transferred to them.

Assignment of the pre-emptive right to purchase a share is not allowed.

When a state body or other legal entity sells its share in the common ownership of a residential house (apartment), the right of first refusal belongs to citizens living in the relevant part of the house (apartment) as tenants, in accordance with the rules of this article, and if they waive this right or failure to implement it - to other owners.

The rules of this article shall also apply when a share is alienated under an exchange agreement.

Article 225. Possession, use and disposal of property in joint ownership

Participants in joint ownership, unless otherwise provided by an agreement between them, jointly own and use common property.

The disposal of property in joint ownership is carried out by the consent of all participants, which is assumed regardless of which of the participants makes a transaction on the disposal of property.

Each of the participants in joint ownership has the right to make transactions on the disposal of common property, unless otherwise follows from the agreement of all participants. A transaction made by one of the participants in joint ownership related to the disposal of common property may be declared invalid at the request of the other participants on the grounds that the participant who made the transaction does not have the necessary powers only if it is proved that the other party to the transaction knew or should have known about it.

The rules of this article shall apply, unless otherwise provided for by this Code or other laws for certain types of joint ownership.

Article 226

The division of common property between the participants in joint ownership, as well as the division of the share of one of them, may be carried out after a preliminary determination of the share of each of the participants in the right to common property.

When dividing common property and allocating a share from it, unless otherwise provided by law or by agreement of the participants, their shares are recognized as equal.

The grounds and procedure for the division of common property and the allocation of a share from it are determined by Article 223 (show_doc.fwx?rgn=767#A000000228) of this Code, and for certain types of joint property - by other laws.

Article 227. Foreclosure on a share in common property

The creditor of a participant in shared or joint ownership, if the owner has insufficient other property, has the right to present a demand for the allocation of the debtor's share in the common property for levying execution on it.

If in such cases it is impossible to allocate a share in kind, or the other participants in shared or joint ownership object to this, the creditor shall have the right to demand that the debtor sell his share to the other participants in common property at a price commensurate with the value of this share, with the proceeds from the sale being used to repay the debt.

If the other participants in the common property refuse to acquire the debtor's share, the creditor shall have the right to demand in court that the debtor's share in the common property right be foreclosed by selling this share at public auction.

Chapter 19

Article 228

The owner has the right to claim his property from someone else's illegal possession (vindication).

Article 229

If the property was acquired for compensation from a person who did not have the right to alienate it, which the acquirer did not know and should not have known (a bona fide purchaser), then the owner has the right to claim this property from the acquirer in the event that the property was lost by the owner or the person to whom the property was transferred by the owner into possession or stolen from one or the other, or left their possession in another way against their will.

Claiming property on the grounds specified in part one of (show_doc.fwx?rgn=767#B3YB0ZVOY9) this article is not allowed if the property was sold in the manner established for the execution of court decisions.

If the property was acquired free of charge from a person who did not have the right to alienate it, the owner has the right to claim the property in all cases.

Money cannot be claimed from a bona fide purchaser.

Article 230

In accordance with Article 228 of this Code, when claiming property, the owner may also claim:

from a person who knew or should have known that his possession is illegal (bad faith owner), return or reimbursement of all income that this person has derived or should have derived during the entire period of possession;

from a bona fide owner - all income that he has derived or should have received from the time he learned or should have learned about the illegality of possession or from the moment he received a request on the owner's claim for the recovery of property.

The owner, both in good faith and in bad faith, in turn, has the right to demand compensation from the owner for the necessary expenses incurred by him on the property from the time from which the income from the property is due to the owner.

A possessor in good faith has the right to retain the improvements made by him if they can be separated without damaging the thing. If such separation is not possible, the possessor in good faith has the right to demand compensation for the costs incurred for the improvement, but not more than the increase in the value of the property.

Article 231

The owner may demand the elimination of any violations of his right, although these violations were not related to the deprivation of possession (negotiable claim).

Article 232. Protection of the rights of an owner who is not an owner

The rights provided for in Articles 228-231 (show_doc.fwx?rgn=767#A000000234) of this Code also belong to a person who, although not being the owner, owns the property on the basis of the right of lifetime inheritable possession, economic management, operational management, or on other grounds provided for by law or an agreement. This person has the right to defend his possession also against the owner.

Article 233. Consequences of termination of the right of ownership by virtue of law

If a law is adopted that terminates the right of ownership, the losses caused to the owner as a result of the adoption of this act, including the value of the property, are compensated by the state. Disputes about compensation for losses are resolved by the court.

Section III. Law of Obligations

Subsection 1. General provisions on obligations

Chapter 20

Article 234. The concept of an obligation and the grounds for its occurrence

An obligation is a civil legal relationship, by virtue of which one person (debtor) is obliged to perform a certain action in favor of another person (creditor), such as: transfer property, perform work, provide services, pay money, etc. or refrain from a certain action, and the creditor has the right to demand from the debtor the performance of his obligation.

Obligations arise from the contract, as a result of causing harm and from other grounds specified in this Code.

Article 235. Parties to an obligation

The parties to an obligation - a creditor or a debtor - may be one or several persons at the same time.

The invalidity of the creditor's claims against one of the persons participating in the obligation on the debtor's side, as well as the expiration of the limitation period on a claim against such a person, do not in themselves affect his claims against the rest of these persons.

If the parties under the contract bear a mutual obligation towards each other, then each of the parties is considered the debtor of the other party in what it is obliged to do in its favor and at the same time - its creditor in what it has the right to demand from it.

The obligation does not create obligations for persons not participating in it as parties (for third parties).

In cases stipulated by law or by agreement of the parties, an obligation may create rights for third parties in relation to one or both parties to the obligation.

Chapter 21. Fulfillment of obligations

Article 236. General provisions

Obligations must be performed properly in accordance with the terms of the obligation and the requirements of the law, and in the absence of such conditions and requirements - in accordance with the customs of business transactions or other usually imposed requirements.

Article 237. Inadmissibility of unilateral refusal to fulfill an obligation

Unilateral refusal to fulfill an obligation and unilateral change in the terms of the contract is not allowed, except as provided by law or the contract.

Article 238. Performance of an obligation in an agreed and acceptable manner

The obligation must be performed in a manner agreed upon and acceptable to the parties.

The method of fulfilling an obligation, if it does not follow from the essence of the obligation and is not established by law, must be stipulated in the contract.

Article 239. Fulfillment of an obligation in installments

The creditor has the right not to accept the performance of the obligation in parts, unless otherwise provided by law, the contract or follows from the customs of business or the nature of the obligation.

Article 240. Fulfillment of an obligation to a proper person

Unless otherwise provided by agreement of the parties and does not follow from the customs of business transactions or the essence of the obligation, the debtor is entitled, when performing the obligation, to demand evidence that the performance is accepted by the creditor himself or a person authorized by him and bears the risk of consequences of failure to present such a demand.

Article 241. Imposing the performance of an obligation on a third party

The fulfillment of an obligation arising from an agreement may be entrusted in full or in part to a third party, if it is provided for by law or the agreement, as well as if the third party is connected with one of the parties by the relevant agreement.

If the obligation of the debtor to perform the obligation personally does not follow from the legislation, the contract or the nature of the obligation, the creditor is obliged to accept the performance offered for the debtor by a third party.

Responsibility for failure to fulfill an obligation shall be borne by a party under the contract, unless the legislation or the contract provides that a third party is liable.

Article 242

If the term for the performance of the obligation is not set or is determined by the moment of demand, then the creditor has the right to demand performance, and the debtor has the right to perform performance at any time. The debtor is obliged to perform the performance of such an obligation within seven days from the date of the presentation of the claim by the creditor, unless the duty of immediate performance arises from the law, the contract or the essence of the obligation.

Article 243. Early fulfillment of an obligation

The debtor has the right to perform the obligation ahead of schedule, and the obligee is obliged to accept early performance, if this is provided for by law or the contract, or follows from the nature of the obligation or the customs of business, or other usually imposed requirements.

Article 244

Postponement or installment plan for the fulfillment of an obligation is not allowed, unless otherwise provided by legislation or an agreement.

If there are sufficient grounds, the court has the right to grant the debtor a deferral or installment plan for the performance of the obligation.

Article 245. Currency of monetary obligations

A monetary obligation may provide that it is payable in soums in an amount equivalent to a certain amount in foreign currency, or in conventional monetary units (ecu, "special drawing rights", etc.). In this case, the amount payable in soums is determined at the official rate of the relevant currency or conventional monetary units on the payment date, unless a different rate or other date of its determination is established by law or by agreement of the parties.

The use of foreign currency, as well as payment documents in foreign currency when making settlements on the territory of the Republic of Uzbekistan for obligations, is allowed in cases, in the manner and under the conditions determined by law.

Article 246. Place of performance of an obligation

If the place of performance is not determined by law or the contract and does not follow from the nature of the obligation or business customs or other commonly required requirements, performance must be made:

1) for obligations to transfer immovable property - at the location of the property;

2) for obligations to transfer the goods or other property, providing for its transportation, - at the place of delivery of the goods to the first carrier for delivery to the creditor;

3) for other obligations of the debtor, to transfer goods or other property - at the place of manufacture and storage of property, if this place was known to the creditor at the time the obligation arose;

4) for a monetary obligation - at the place of residence of the obligee at the moment the obligation arises, and if the obligee is a legal entity, at the place of its location at the moment the obligation arises; if the obligee has changed his place of residence or location by the time of fulfillment of the obligation and has notified the debtor about it, - in the new place of residence or location of the obligee with attribution to his account of all expenses associated with the change of place of performance;

5) for all other obligations - at the place of residence of the debtor, and if the debtor is a legal entity - at the place of its location.

Article 247. Increase in the amounts paid for the maintenance of a citizen

The amount paid under a monetary obligation directly for the maintenance of a citizen (in compensation for harm caused to his life or health, under a life maintenance contract and in other cases), with an increase in the minimum wage established by law, increases proportionally.

Article 248

The amount of the payment made, insufficient to fulfill the monetary obligation in full, in the absence of another agreement, first of all, repays the creditor's costs of obtaining the performance, then - interest, and in the remainder - the principal amount of the debt.

Article 249

The debtor has the right to deposit the money or securities due from him into the notary's deposit, and in cases established by law, into the court's deposit, if the obligation cannot be performed by the debtor due to:

1) the absence of the obligee or the person authorized by him to accept performance in the place where the obligation is to be performed;

2) the incapacity of the creditor and the absence of his representative or the consent of the latter;

3) the obvious lack of certainty as to who is the obligee under the obligation, in particular, in connection with a dispute on this issue between the obligee and other persons;

4) the creditor's evasion from accepting performance or any other delay on his part.

Depositing a sum of money or securities into a deposit of a notary or a court shall be considered the fulfillment of an obligation.

The notary or the court, in whose deposit the money or securities are deposited, notifies the creditor of this.

Article 250. Performance of an alternative obligation

If the debtor is obliged to perform one of two or more actions or to transfer one or another property to the creditor, the right of choice belongs to the debtor, unless otherwise follows from legislation, the contract or the nature of the obligation.

Article 251. Performance of an obligation in which several creditors or several debtors participate

If several creditors or several debtors participate in a shared obligation, then each of the creditors has the right to demand performance, and each of the debtors is obliged to perform the obligation in an equal share with the others, unless otherwise provided by law or the contract.

Article 252

In case of a joint and several obligation of debtors, the creditor has the right to demand the performance both from all debtors jointly, and from any of them separately, moreover, both in full and in part, the debt.

A creditor who has not received full satisfaction from one of the joint and several debtors has the right to demand what was not received from the other joint and several debtors.

Solidary debtors remain obligated until the obligation is fully discharged.

Article 253

In the case of a joint and several obligation, the debtor is not entitled to raise objections against the creditor's claim based on such relations of other debtors to the creditor in which the given debtor does not participate.

Article 254. Performance of a joint and several obligation by one of the debtors

The performance of a joint and several obligation in full by one of the debtors releases the other debtors from performance to the obligee.

A debtor who has performed a joint and several obligation shall have the right of a reverse (recourse) claim against the rest of the debtors in equal shares, minus the share falling on himself, unless otherwise provided by legislative acts or agreements. Unpaid by one of the debtors to the debtor who performed the joint and several obligation, falls in an equal share on him and on the other debtors.

Section 255. Solidarity Claims

In case of solidarity of the claim, any of the joint creditors has the right to present a claim to the debtor in full.

The debtor is not entitled to raise objections against the claim of one of the joint and several creditors based on such relations of the debtor with another joint and several creditor in which this creditor does not participate.

The performance of an obligation in full by one of the joint and several creditors releases the debtor from the performance of the obligation by the other creditors.

A solidary creditor who has received the performance of an obligation from the debtor is obliged to compensate other creditors for the shares due to them, unless otherwise follows from the relationship between them.

Article 256. Counter performance of obligations

Reciprocal is the performance of an obligation by one of the parties, which, in accordance with the contract, is conditioned by the performance of its obligations by the other party.

In the event that the obligated party fails to provide performance of the obligation stipulated by the contract or there are circumstances that clearly indicate that such performance will not be made within the prescribed period, the party on which the counter-performance lies has the right to suspend the performance of its obligation or refuse to perform this obligation and demand compensation. losses.

If the performance of the obligation stipulated by the contract is not performed in full, the party on which the counter performance lies has the right to suspend the performance of its obligation or refuse to perform in the part corresponding to the performance not provided.

If the counter performance of the obligation is made despite the failure of the other party to provide the performance of its obligation stipulated by the contract, this party is obliged to provide such performance.

The rules provided for by parts two (show_doc.fwx?rgn=767#B3YB0ZWF1Q) , three (show_doc.fwx?rgn=767#B3YB0ZWNJO) and four of (show_doc.fwx?rgn=767#B3YB0ZWW8J) this article shall apply, unless otherwise provided by an agreement or law.

Article 257. Certification of the fulfillment of an obligation

The creditor, accepting the performance of an obligation, is obliged, at the request of the debtor, to issue him a receipt in receipt of the performance of the obligation in full or in part. When executing oral transactions between legal entities and citizens, the legal entity that paid for goods or services must receive from the other party a document certifying the payment of money and its basis.

If the debtor issued a debt document to the creditor as evidence of the obligation, then the creditor, accepting the performance, must return this document, and if it is impossible to return, indicate this in the issued receipt. The receipt can be replaced by an inscription on the returned debt document. The presence of a debt document with the debtor certifies, until proven otherwise, the termination of the obligation.

Article 258

If the creditor refuses to issue a receipt, return the debt document or note in the receipt the impossibility of its return, the debtor has the right to delay execution. In these cases, the creditor is considered in default.

Chapter 22. Ensuring the fulfillment of obligations

Article 259. General provisions

The fulfillment of an obligation may be secured by a penalty, a pledge, a retention of the debtor's property, a surety, a guarantee, a deposit and other methods provided for by law or an agreement.

The invalidity of an agreement on securing the performance of an obligation does not entail the invalidity of this obligation (main obligation).

The invalidity of the main obligation entails the invalidity of the obligation that secures it.

Article 259-1. Satisfaction of creditors' claims at the expense of the debtor's property provided as security for the performance of obligations

Claims of a creditor under obligations secured by property, in the event that the debtor fails to fulfill his obligations, shall be satisfied from the value of this property predominantly over other creditors of the person who owns this property. The priority right of the creditor also extends to the fruits, products and other incomes received from the use or sale of the debtor's property provided as security for the performance of obligations, unless otherwise provided by the

agreement.

The creditors referred to in the first part of this article, who have made an entry in the pledge register about their rights to the debtor's property, shall have a preferential right to satisfy their claims over creditors who have not made an appropriate entry in the pledge register.

Claims of creditors who have made an entry in the pledge register about their rights to the same property shall be satisfied in the following order:

first of all, the requirements for obligations secured by the retention of this property are satisfied;

in the second place, claims are satisfied for obligations arising from the acquisition or provision by the creditor to the debtor of property acting as security for the performance of obligations;

thirdly, claims for obligations secured by property are satisfied if this property was acquired (produced) at the expense of funds or property provided by the creditor;

fourthly, claims for all other obligations secured by this property are satisfied.

The sequence of satisfaction of creditors' claims is determined in accordance with the chronological order (time and date) of their entry into the pledge register of an entry on the rights to the relevant property. At the same time, the claims of the creditors of each successive turn are satisfied after the full satisfaction of the claims of the creditors of the previous turn.

Claims of creditors who have not made an entry in the pledge register about their rights to property shall be satisfied from the value of this property in the calendar order of occurrence of such rights after satisfying the claims of creditors who have made an entry in the pledge register about the rights to this property.

The creditor has the right to assign the order of repayment of his claim, provided that the assignment does not infringe the rights of other creditors

(Article 259-1 was introduced in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))

§ 1. Penalty

Article 260. The concept of a penalty

A penalty is a sum of money determined by legislation or an agreement, which the debtor is obliged to pay to the creditor in case of non-fulfillment or improper fulfillment of the obligation.

Upon a demand for the payment of a penalty, the creditor is not obliged to prove the losses caused to him.

Only a valid claim is secured by a penalty.

The creditor is not entitled to demand payment of a penalty if the debtor is not liable for non-performance or improper performance of the obligation.

Article 261. Forms of penalty

The penalty is in the form of a fine or penalty.

A penalty is a penalty paid by the debtor in cases of non-fulfillment or improper fulfillment of obligations and calculated, as a rule, in a fixed amount of money.

Penalty is recognized as a penalty paid by the debtor in case of delay in fulfilling obligations and calculated as a percentage of the unfulfilled part of the obligation for each day of delay.

Article 262. Form of an agreement on a penalty

The agreement on the penalty must be made in writing.

Article 263. Legal penalty

The creditor has the right to demand payment of a penalty determined by law (lawful penalty), regardless of whether the obligation to pay it is provided for by agreement of the parties.

The amount of the legal penalty may be increased by agreement of the parties, unless the law prohibits it.

§ 2. Pledge

Article 264

A pledge is a transfer by one person to another of property or the right to it secured by an obligation.

By virtue of a pledge, the creditor under the obligation secured by the pledge (pledgee) has the right, in the event of the debtor's failure to fulfill this obligation, to receive satisfaction from the value of the pledged property preferentially over other creditors of the person who owns this property (pledger), in the manner prescribed by law.

The pledgee has the right to receive, on the same basis, satisfaction from the insurance indemnity for the loss or damage to the pledged property, regardless of in whose favor it is insured, unless the loss or damage occurred due to reasons for which the pledgee is responsible.

A pledge arises by virtue of an agreement or on the basis of a law.

(Article 264 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000272))

Article 265. Types of pledge

Pledge may be in the form of a mortgage, a mortgage, or a pledge of rights.

A pledge is a pledge in which the pledged property is transferred from the pledgor to the custody of the pledgee.

Mortgage is a pledge, the subject of which is immovable property.

Article 266

The pledger can be either the debtor himself or a third party.

The owner of a thing may be a pledger.

The pledger of the right may be the person who owns the pledged right.

Pledge of property rights is not allowed without the consent of the owner, unless otherwise provided by law or contract.

Article 267. Subject of pledge

The subject of pledge can be any property, including things and property rights (claims), with the exception of things withdrawn from circulation, claims inextricably linked with the personality of the creditor, in particular, claims for compensation for harm caused to life or health, for alimony and other claims, the assignment of which to another person is prohibited by law.

Pledge of certain types of property of citizens, against which foreclosure is not allowed, may be prohibited or limited by legislation.

§ 268 Claim secured by pledge

Unless otherwise provided by the contract, the pledge secures the claim to the extent that it has by the time of satisfaction, in particular, interest, penalty, compensation for losses caused by delay in performance, as well as compensation for the necessary expenses of the pledgee for the maintenance of the pledged thing and the costs of recovery.

Article 269

The pledged property remains with the pledgor, unless otherwise provided by the agreement.

Pledged goods in circulation are not transferred to the pledgee.

The subject of pledge may be left with the pledgor under lock and key and the seal of the pledgee (if there is a seal).

The subject of pledge may be left with the pledgor with the imposition of signs indicating the pledge (firm pledge).

The subject of pledge, transferred by the pledgor for a time into possession or use of a third party, shall be considered left with the pledgor.

When a property right is pledged, certified by a security, it is transferred to the pledgee or to a notary's deposit, unless otherwise provided by the agreement.

(Article 269 was amended in accordance with the Law of the Republic of Uzbekistan dated 20.08.2015 No. ZRU-391 (show_doc.fwx?rgn=78724))

(see previous edition (show_red.fwx?rid=39704#A000000277))

Article 270

The right of pledge arises from the moment of conclusion of the pledge agreement or, if the agreement is subject to notarization, from the moment of notarization, and in case of mandatory registration of the agreement, from the moment of its registration.

If the subject of pledge, in accordance with the law or the contract, must be with the pledgee, the right of pledge arises at the moment of transfer of the subject of pledge to him, and if such transfer was carried out before the conclusion of the contract, from the moment of its conclusion.

Article 271. Pledge agreement, its form and registration

The pledge agreement shall indicate the subject of pledge and its valuation, the nature, amount and term of performance of the obligation secured by the pledge, or information sufficient to identify the subject of pledge and the obligation secured by it. It must also contain an indication of which party has the pledged property.

The subject of pledge can be identified by means of a general description of the property, including by describing the property as a separate type or class.

A secured obligation can be identified by indicating the maximum amount of the obligation that can be redeemed from the value of the property.

The pledge agreement must be concluded in writing.

A mortgage agreement, as well as an agreement on the pledge of movable property or rights to property as security for obligations under the agreement, which must be notarized, are subject to notarization, with the exception of mortgage and pledge agreements when acquiring real estate and vehicles in the primary market

The mortgage agreement must be registered in accordance with the procedure established for the registration of transactions with the relevant property.

Failure to comply with the rules contained in the fourth, fifth and sixth parts of this Article shall entail the invalidity of the pledge agreement.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 14.01.2020 No. ZRU-602 (show_doc.fwx?rgn=122408))
(see previous edition (show_red.fwx?rid=94438))

Article 272

The rights of the pledge holder (the right of pledge) to the thing that is the subject of the pledge shall extend to its ownership, unless otherwise provided by the agreement.

The right of pledge extends to the fruits, products and incomes obtained as a result of the use of the pledged property in cases stipulated by the agreement.

In the event of a mortgage of an enterprise or other property complex as a whole, the right of pledge extends to all property included in it, movable and immovable, including rights of claim and exclusive rights, including those acquired during the period of mortgage, unless otherwise provided by law or contract.

Mortgage of a building or structure is allowed only with simultaneous mortgage under the same agreement of the land plot on which this building or structure is located, or of a part of this plot that functionally provides the pledged object, or of the right to lease this plot or its corresponding part belonging to the pledgor.

When a land plot is mortgaged, the right of pledge does not extend to the buildings and structures of the pledgor located or being built on this plot, unless otherwise stipulated in the agreement.

In the absence of such a condition in the contract, the pledgor, in the event of foreclosure on the mortgaged land plot, retains the right of limited use (servitude) of that part of it that is necessary for the use of the building or structure in accordance with its purpose. The conditions for the use of this part of the site are determined by the agreement between the pledgor and the pledgee, and in the event of a dispute - by the court.

If a mortgage is established on a land plot on which there are buildings or structures owned not by the pledgor, but by another person, then when the pledgee levies execution on this plot and sells it at a public auction, the rights and obligations that the pledgor had in relation to this person are transferred to the purchaser of the plot .

A pledge agreement, and in relation to a pledge arising on the basis of a law, the law may provide for a pledge of things and property rights that the pledgor will acquire in the future.

Section 273. Subsequent Pledge

Pledged property may be pledged by the pledgor to secure other claims (subsequent pledge).

A subsequent pledge is allowed if it is not prohibited by the previous pledge agreements and subject to the entry in the pledge register of the corresponding entry by the previous and subsequent pledgees.

The pledgor is obliged to inform each subsequent pledgee of information about all existing pledges of this property and is liable for losses caused to the pledgees by failure to fulfill this obligation.

If the previous pledge agreement provides for the conditions on which a subsequent pledge agreement can be concluded, such a pledge agreement must be concluded in compliance with the conditions specified in the previous agreement. If these conditions are violated, the previous pledgee has the right to demand compensation from the pledger for the losses caused by this.

If the pledged property becomes the subject of another pledge to secure other claims (subsequent pledge), the claims of the subsequent pledge holder shall be satisfied from the value of this property in accordance with the procedure established by this Code.

(Article 273 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000281))

Article 274. Maintenance and safety of pledged property

The pledgor or pledgee, depending on which of them holds the pledged property (Article 269 (show_doc.fwx?rgn=767#A000000277) of this Code), is obliged, unless otherwise provided by law or agreement:

1) to insure at the expense of the mortgagor the pledged property in its full value against the risks of loss or damage, and if the total value of the property exceeds the amount of the claim secured by the pledge, for an amount not less than the amount of the claim;

2) take measures necessary to ensure the safety of the pledged property, including to protect it from encroachments and claims from third parties;

3) immediately notify the other party of the threat of loss or damage to the pledged property.

The pledgee and the pledgor have the right to verify by documents and in fact the presence, quantity, condition and storage conditions of the pledged property held by the other party.

In case of a gross violation by the pledgee of the obligations specified in the first part of (show_doc.fwx?rgn=767#B3YB0ZYLKT) this article, which creates a threat of loss or damage to the pledged property, the pledgor has the right to demand early termination of the pledge.

Article 275. Consequences of loss or damage to pledged property

The pledgor bears the risk of accidental loss or accidental damage to the pledged property, unless otherwise provided by the pledge agreement.

The pledgee is responsible for the total or partial loss or damage of the subject of pledge transferred to him, unless he proves that he can be released from liability in accordance with Article 333 (show_doc.fwx?rgn=767#A000000345) of this Code.

The pledgee is responsible for the loss of the subject of pledge in the amount of its actual value, and for its damage - in the amount by which this value has decreased, regardless of the amount at which the subject of pledge was valued when it was transferred to the pledgee.

If, as a result of damage to the subject of pledge, it has changed so much that it cannot be used for its intended purpose, the pledgor has the right to refuse it and demand compensation for its loss.

The agreement may provide for the obligation of the pledgee to compensate the pledger for other losses caused by the loss or damage to the subject of pledge.

A pledgor who is a debtor under a secured obligation shall have the right to set off a claim against the pledgee for compensation for losses caused by loss or damage to the subject of pledge against the obligation secured by pledge.

Article 276. Replacement and restoration of the subject of pledge

Replacement of the subject of pledge is allowed with the consent of the pledgee, unless otherwise provided by law or contract.

If the subject of pledge is lost or damaged, or the right of ownership to it or the right of economic management is terminated on the grounds established by law, the pledgor has the right to restore the subject of pledge or replace it with other equivalent property within a reasonable time (and in the event of a dispute, within the period established by the court) or replace it with other equivalent property, unless the agreement provided otherwise.

Article 277. Use and disposal of the subject of pledge

The pledgor has the right, unless otherwise provided by the agreement and does not follow from the nature of the pledge, to use the subject of pledge in accordance with its purpose, including deriving fruits and income from it.

Unless otherwise provided by law or the agreement and does not follow from the nature of the pledge, the pledgor has the right to alienate the subject of pledge, transfer it for rent or free use to another person, or otherwise dispose of it only with the consent of the pledgee.

An agreement restricting the pledgor's right to bequeath the pledged property is void.

The pledgee has the right to use the subject of pledge transferred to him only in cases provided for by the agreement, regularly submitting a report on the use to the pledgor. Under the agreement, the pledgee may be obligated to extract fruits and income from the subject of pledge in order to repay the principal obligation or in the interests of the pledgor.

Article 278

The pledgee who had or should have had the pledged property has the right to reclaim it from someone else's illegal possession, including from the possession of the pledgor (Articles 228, 229 (show_doc.fwx?rgn=767#A000000234) , 230 (show_doc.fwx?rgn=767#A000000236) , 232 (show_doc.fwx?rgn=767#A000000238) of this Code).

In cases where, under the terms of the agreement, the pledgee has been granted the right to use the subject of pledge transferred to him, he may demand from other persons, including the pledgor, the elimination of any violations of his right, although these violations were not connected with deprivation of possession (Articles 231, 232 (show_doc.fwx?rgn=767#A000000237) of this Code).

Article 279

Foreclosure on the pledged property to satisfy the claims of the pledgee (creditor) may be levied in case of non-fulfillment or improper fulfillment by the debtor of the obligation secured by the pledge due to the circumstances for which he is responsible.

Foreclosure on the pledged property may be refused if the debtor's violation of the obligation secured by the pledge is extremely insignificant and the amount of the pledgee's claims as a result is clearly disproportionate to the value of the pledged property, except for cases established by law.

Article 280

Claims of the pledge holder (creditor) are satisfied from the value of the pledged immovable property by a court decision.

Satisfaction of the pledgee's claim at the expense of the pledged immovable property without recourse to the court is allowed if it is provided for in the pledge agreement or on the basis of a notarized agreement between the pledgee and the pledgor concluded after the grounds for foreclosure on the subject of pledge arose. Such an agreement may be declared invalid by a court at the suit of a person whose rights are violated by such an agreement.

The claims of the pledgee shall be satisfied at the expense of the pledged movable property under a judicial act, unless otherwise provided by the agreement between the pledgor and the pledgee. The subject of pledge transferred to the pledgee may be levied in accordance with the procedure established by the pledge agreement, unless otherwise established by law.

Foreclosure on the subject of pledge may be levied only by a court decision in cases where:

1) the law establishes a requirement for the consent or permission of another person or body to conclude a pledge agreement;

2) the subject of pledge is property of historical, scientific, artistic or other cultural value;

3) the pledgor is absent and it is impossible to establish his location.

(Article 280 was amended in accordance with the Laws of the Republic of Uzbekistan dated April 18, 2018 No. ZRU-476 (show_doc.fwx?rgn=105914) , 10.22.2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000288))

Article 281. Sale of pledged property

The forced sale of the pledged property, which is foreclosed in accordance with Article 280 of this Code, is carried out by selling at public auction in the form of an electronic online auction in the manner prescribed by law.

At the request of the mortgagor, the court has the right, in the decision to foreclose on the pledged property, to postpone its sale at public auction for up to one year. The postponement does not affect the rights and obligations of the parties under the obligation secured by the pledge of this property, and does not release the debtor from compensation for the creditor's losses and penalties that have increased during the delay.

Pledged property subject to extrajudicial foreclosure may be sold by sale at auction, direct sale, transfer on credit, leasing, rent, sale by installments or through other transactions not prohibited by law.

When an auction is declared invalid (in the case of foreclosure on the pledged property in an out-of-court procedure), the pledgee has the right, by agreement with the pledgor, to acquire the pledged property and set off his claims secured by the pledge against the purchase price. The rules on the contract of sale shall apply to such an agreement.

When the repeated auction is declared invalid, the pledgee shall have the right to retain the subject of pledge for himself with its valuation in the amount of not more than ten percent lower than the initial sale price of the unsold subject of pledge at the repeated auction.

If the pledgee fails to use the right to retain the subject of pledge within one month from the date of the announcement of repeated auctions as failed, the pledge agreement shall be terminated.

If the amount received from the sale of the pledged property is insufficient to cover the claim of the pledgee, he has the right, unless otherwise specified in the law or the contract, to receive the missing amount from the other property of the debtor, without using the advantage based on the pledge.

If the amount received from the sale of the pledged property exceeds the amount of the claims of the pledge holders secured by the pledge of this property, the difference shall be returned to the pledgor.

The debtor or pledgor who is a third party shall have the right at any time before the sale of the subject of pledge to terminate the levy of execution on it and its sale, having fulfilled the obligation secured by the pledge or that part of it, the fulfillment of which is overdue. An agreement limiting this right is void.

(Article 281 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000289))

Article 282

The pledgee has the right to demand early performance of the obligation secured by the pledge in the following cases:

1) if the subject of pledge has left the possession of the pledgor, with whom it was left, in violation of the terms of the pledge agreement;

2) violation by the pledgor of the rules on the replacement of the subject of pledge (Article 276 (show_doc.fwx?rgn=767#A000000284) of this Code);

3) loss of the subject of pledge due to circumstances for which the pledgee is not responsible, if the pledgor did not exercise the right provided for by paragraph two of Article 276 (show_doc.fwx?rgn=767#B3YB0ZZ6M9) of this Code.

The pledgee has the right to demand early performance of the obligation secured by the pledge, and if his demand is not satisfied, to levy execution on the subject of pledge in the following cases:

1) violation by the pledgor of the rules on subsequent pledge (Article 273 (show_doc.fwx?rgn=767#A000000281) of this Code);

2) non-fulfillment by the pledgor of obligations for the maintenance and safety of the pledged property, provided for in paragraphs 1 and 2 of part one (show_doc.fwx?rgn=767#A000000282) and part two of Article 274 (show_doc.fwx?rgn=767#A000000282) of this Code;

3) violation by the mortgagor of the rules on the disposal of pledged property (parts two and three of Article 277 (show_doc.fwx?rgn=767#A000000285) of this Code);

4) levying execution on pledged property by other creditors, including in the case of enforcement of judicial acts and acts of other bodies.

(Article 282 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000290))

Article 283. Termination of pledge

The pledge ends:

1) with the termination of the obligation secured by the pledge;

2) at the request of the pledgor if there are grounds provided for by part three of Article 274 (show_doc.fwx?rgn=767#A000000282) of this Code;

3) in the event of the destruction of the pledged thing or the termination of the pledged right, if the pledgor has not exercised the right provided for by paragraph two of Article 276 (show_doc.fwx?rgn=767#A000000284) of this Code;

4) in case of sale of the pledged property, as well as in the case when its sale turned out to be impossible (Article 281 (show_doc.fwx?rgn=767#A000000289) of this Code). A note about the termination of the mortgage must be made in the register in which the mortgage agreement is registered;

5) if the pledgee did not use the right provided for in paragraph 4 of part two of Article 282 (show_doc.fwx?rgn=767#B3YB101DUW) of this Code, except for cases when the pledged property was not sold and the creditors, whose claims are not secured by a pledge, refused to accept this property to satisfy their claims.

When a pledge is terminated due to the fulfillment of an obligation secured by a pledge or at the request of the pledgor (Part three of Article 274 (show_doc.fwx?rgn=767#A000000282) of this Code), the pledgee, who had the pledged property, is obliged to immediately return it to the pledgor.

(Article 283 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000291))

Article 284

In the event of the transfer of ownership of the pledged property or the right of economic management of it from the pledgor to another person as a result of a paid or gratuitous alienation of this property or in the manner of universal succession, the right of pledge shall remain in force, except for the pledge of goods in circulation and cases when the pledgee agrees to the transfer the right of ownership or the right of economic management of the pledged property to another person without retaining a pledge.

The legal successor of the pledger takes the place of the pledger and bears all the obligations of the pledger, unless otherwise provided by agreement with the pledgee.

If the property of the pledgor, which is the subject of the pledge, has passed by succession to several persons, each of the successors (acquirers of the property) shall bear the consequences arising from the pledge of failure to fulfill the obligation secured by the pledge in proportion to the part of the said property transferred to him. If the subject of pledge is indivisible or, for other reasons, remains in the common ownership of the legal successors, they become solidary pledgors.

(Article 284 was amended in accordance with the Law of the Republic of Uzbekistan dated October 22, 2019 No. ZRU-572 (show_doc.fwx?rgn=119978))
(see previous edition (show_red.fwx?rid=89188#A000000292))

Article 285

If the right of ownership of the pledgor to the property that is the subject of the pledge is terminated on the grounds and in the manner prescribed by law, as a result of its withdrawal (purchase) for public needs, requisition or nationalization, then the pledgor shall be provided with other property or appropriate compensation (compensation). In this case, the right of pledge extends to the property provided in exchange, or, accordingly, the pledgee acquires the right of priority to satisfy his claim from the amount of compensation (compensation) due to the pledgor .

In cases where the property that is the subject of pledge is withdrawn from the pledger in accordance with the procedure established by law on the grounds that in reality the owner of this property is another person (Article 228 (show_doc.fwx?rgn=767#A000000234) of this Code), the pledge in respect of this property is terminated.

In the cases provided for by the first and second (show_doc.fwx?rgn=767#B3YB102GKY)parts of (show_doc.fwx?rgn=767#B3YB1027D0) this article, the pledgee has the right to demand early performance of the obligation secured by the pledge. (show_doc.fwx?rgn=767#B3YB102GKY)

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated 06/29/2022 No. ZRU-782 (show_doc.fwx?rgn=141676))
(see previous edition (show_red.fwx?rid=125127))

Article 286. Assignment of rights under a pledge agreement

The pledgee has the right to transfer his rights under the pledge agreement to another person in compliance with the rules on the transfer of creditor's rights by assignment of a claim (Articles 313-321 (show_doc.fwx?rgn=767#A000000325) of this Code).

The assignment by the pledgee of his rights under the pledge agreement to another person is valid if the rights of claim against the debtor under the underlying obligation secured by the pledge have been assigned to the same person.

Unless otherwise proven, the assignment of rights under a mortgage agreement also means the assignment of rights under an obligation secured by a mortgage.

Article 287. Transfer of debt under an obligation secured by a pledge

With the transfer of a debt under an obligation secured by a pledge to another person, the pledge shall be terminated if the pledgor has not given the creditor consent to be responsible for the new debtor (Article 322 (show_doc.fwx?rgn=767#A000000334) of this Code).

Article 288. Pledge of goods in circulation

A pledge of goods in circulation is recognized as a pledge of goods leaving them with the pledgor and granting the pledgor the right to change the composition and natural form of the pledged property (commodity stocks, raw materials, materials, semi-finished products, finished products, etc.), provided that their total value does not becomes less than specified in the pledge agreement.

Reducing the value of pledged goods in circulation is allowed in proportion to the fulfilled part of the obligation secured by the pledge, unless otherwise provided by the contract.

Goods in circulation, alienated by the pledger, cease to be the subject of pledge from the moment of their transfer to the ownership, economic management or operational management of the acquirer, and the goods acquired by the pledger, specified in the pledge agreement, become the subject of pledge from the moment the pledger has the right of ownership to them.

If the pledger violates the terms of the pledge of goods in circulation, the pledgee has the right, by imposing his marks and seals on the pledged goods (if any), to suspend operations with them until the violation is eliminated.

(Article 288 was amended in accordance with the Law of the Republic of Uzbekistan dated 20.08.2015 No. ZRU-391 (show_doc.fwx?rgn=78724))

(see previous edition (show_red.fwx?rid=39704#A000000296))

Article 289

Acceptance from citizens as a pledge of movable property intended for personal consumption, as security for short-term microloans, can be carried out as an entrepreneurial activity by specialized organizations - pawnshops, operating on a notification basis.

An agreement on the pledge of things in a pawnshop is drawn up by the issuance of a pledge ticket by the pawnshop.

Pledged things are transferred to the pawnshop.

The pawnshop is obliged to insure in favor of the pledgor at its own expense the things accepted as a pledge in the full amount of their assessment, established in accordance with the prices for things of this kind and quality, at the time of their acceptance as a pledge.

The pawnshop is not entitled to use and dispose of the pledged things.

The pawnshop is liable for the loss or damage to the pledged items, unless it proves that the loss or damage was due to force majeure.

In the event that the amount of the loan secured by the pledge of things in the pawnshop is not returned within the prescribed period, the pawnshop has the right, on the basis of the notary's executive inscription, after the expiration of the grace period of one month, to sell this property in the manner established for the sale of the pledged property (Article 281 (show_doc.fwx?rgn=767#A000000289) of this Code). After that, the claims of the pawnshop against the pledgor (debtor) are repaid, even if the amount received from the sale of the pledged property is insufficient to fully satisfy them.

The rules for lending to citizens by pawnshops on the security of things belonging to citizens are established by law.

The terms of the agreement on the pledge of things in a pawnshop, limiting the rights of the pledgor in comparison with the rights granted to him by this Code and other laws, are void.

(The article was amended in accordance with the Law of the Republic of Uzbekistan dated April 20, 2022 No. ZRU-765 (show_doc.fwx?rgn=139689))
(see previous edition (show_red.fwx?rid=119623))

§ 3. Retention

Article 290. Grounds for withholding

The creditor, who has a thing to be transferred to the debtor or to a person indicated by the debtor, has the right, in the event that the debtor fails to fulfill the obligation to pay for this thing or reimburse the creditor for the costs and other losses associated with it, to keep it until the corresponding obligation will be done.

Withholding of a thing may also secure claims, although not related to payment for the thing or compensation for its costs and other losses, but arising from an obligation, the parties to which act as entrepreneurs.

The creditor may retain the thing in his possession, despite the fact that after this thing came into the possession of the creditor, the rights to it were acquired by a third party.

The rules of this article shall apply, unless otherwise provided by the contract.

Article 291. Satisfaction of claims at the expense of retained property

Claims of a creditor holding a thing shall be satisfied out of its value in the amount and in the manner provided for the satisfaction of claims secured by a pledge.

§ 4. Guarantee

Article 292

Under a surety agreement, the surety undertakes to be responsible to the creditor of another person for the fulfillment by the latter of his obligations in full or in part.

A guarantee agreement may also be concluded to secure an obligation that will arise in the future.

The suretyship agreement must be made in writing. Failure to comply with the written form entails the invalidity of the surety agreement.

Article 293. Liability of a guarantor

If the debtor fails to perform or improperly performs the obligation secured by the surety, the surety and the debtor shall be liable to the creditor jointly and severally, unless the law or the surety agreement provides for subsidiary liability of the surety.

The guarantor is liable to the creditor to the same extent as the debtor, including the payment of interest, reimbursement of legal costs for collecting the debt and other losses of the creditor caused by the debtor's failure to perform or improper performance of the obligation, unless otherwise provided by the surety agreement.

The persons who jointly gave a guarantee shall be jointly and severally liable to the creditor, unless otherwise provided by the guarantee agreement.

Article 294

The guarantor has the right to raise against the creditor's claim all the objections that the debtor could present. The guarantor does not lose the right to these objections even if the debtor has waived them or acknowledged his obligation.

If a claim is brought against the guarantor, then he is obliged to attract the debtor to participate in the case. Otherwise, the debtor has the right to put forward all the objections that he had against the creditor against the return demand of the guarantor.

Article 295

The guarantor who performed the obligation shall transfer the rights of the creditor under this obligation and the rights belonging to the creditor as a pledgee, to the extent that the guarantor satisfied the creditor's claim. The guarantor is also entitled to demand from the debtor the payment of interest on the amount paid to the creditor, and compensation for other losses incurred in connection with the liability for the debtor.

Upon fulfillment by the guarantor of the obligation, the creditor shall be obliged to hand over to the guarantor the documents certifying the claim against the debtor and to transfer the rights securing this claim.

The rules established by this article shall apply, unless otherwise provided by law or by an agreement between the guarantor and the debtor.

Article 296

A debtor who has fulfilled an obligation secured by a surety must immediately notify the surety of this. Otherwise, the guarantor, in turn, has fulfilled the obligation, has the right to recover from the creditor what was received unjustifiably or to present a recourse claim against the debtor. In the latter case, the debtor has the right to recover from the creditor only what was unjustly received.

Article 297. Payment for the services of a guarantor

The guarantor has the right to remuneration for the services rendered by him to the debtor, unless otherwise provided by the contract.

Article 298. Termination of suretyship

A suretyship is terminated with the termination of the obligation secured by it, as well as in the event of such a change in this obligation, which entails an increase in liability or other adverse consequences for the surety, without his consent.

The suretyship is terminated with the transfer to another person of the debt under the obligation secured by the suretyship, if the surety did not give the creditor consent to be responsible for the new debtor, and also in the case when, upon the due date for the performance of the obligation secured by him, the creditor refused to accept the proper performance proposed by the debtor or the surety.

The guarantee shall terminate upon the expiration of the term specified in the contract for which it is given. If such a period is not established, the surety shall be terminated if the obligee does not file a claim against the surety within one year from the date of the due date for the performance of the obligation secured by the surety. If the term for the performance of the main obligation is not indicated and cannot be determined or determined by the moment of demand, and the creditor does not bring a claim against the guarantor within one year from the date of conclusion of the suretyship agreement, the suretyship is terminated.

§ 5. Warranty

Article 299. The concept of a guarantee

By virtue of a guarantee, a bank, other credit institution or an insurance organization (guarantor) give, at the request of another person (principal), a written obligation to pay the principal's creditor (beneficiary) in accordance with the terms of the obligation given by the guarantor, a sum of money upon presentation by the beneficiary of a written demand for its payment.

Article 300

The guarantee ensures the proper performance by the principal of his obligation to the beneficiary (main obligation).

The principal pays a fee to the guarantor for issuing a guarantee.

Article 301. Independence of a guarantee from the main obligation

The obligation of the guarantor to the beneficiary stipulated by the guarantee does not depend in the relations between them on the main obligation for the performance of which it was issued, even if the guarantee contains a reference to this obligation.

Section 302. Irrevocability of a Guarantee

A guarantee cannot be revoked by the guarantor, unless it provides otherwise.

Article 303. Non-transferability of rights under a guarantee

The right of claim against the guarantor belonging to the beneficiary under the guarantee may not be transferred to another person, unless otherwise provided in the guarantee.

Section 304. Entry into Force of a Guarantee

The guarantee comes into force from the date of its issue, unless otherwise provided in the guarantee.

Section 305. Submission of a Guarantee Claim

The requirement of the beneficiary to pay the amount of money under the guarantee must be submitted to the guarantor in writing with the documents specified in the guarantee attached. In the demand or in an annex to it, the beneficiary must indicate what the violation by the principal of the main obligation, in security of which the guarantee was issued, consists of.

The beneficiary's claim must be submitted to the guarantor before the end of the period specified in the guarantee for which it was issued.

Article 306

Upon receipt of the beneficiary's demand, the guarantor must immediately notify the principal of this and hand over to him copies of the demand with all documents relating to it.

The guarantor must consider the claim of the beneficiary with the documents attached to it within the period specified in the guarantee, and in the absence of it, within a reasonable time, exercise reasonable care to establish whether this claim and the documents attached to it comply with the terms of the guarantee.

Article 307. Refusal of the guarantor to satisfy the claim of the beneficiary

The guarantor refuses to satisfy the beneficiary's demand if this demand or the documents attached to it do not comply with the terms of the guarantee or are presented to the guarantor after the expiration of the period specified in the guarantee.

The guarantor must immediately notify the beneficiary of the refusal to satisfy his claim.

If the guarantor, prior to satisfaction of the beneficiary's claim, becomes aware that the main obligation secured by the guarantee has already been fully or partially fulfilled or terminated for other reasons or is invalid, he must immediately inform the beneficiary and the principal about this.

Article 308. Limits of the guarantor's obligation

The obligation of the guarantor to the beneficiary provided for by the guarantee is limited to the payment of the amount for which the guarantee was issued.

The liability of the guarantor to the beneficiary for non-performance or improper performance by the guarantor of the obligation under the guarantee is not limited to the amount for which the guarantee was issued, unless otherwise provided in the guarantee.

§ 309 Termination of guarantee

The obligation of the guarantor to the beneficiary under the guarantee shall terminate:

1) payment to the beneficiary of the amount for which the guarantee was issued;

2) the end of the period specified in the guarantee for which it was issued;

3) due to the refusal of the beneficiary of his rights under the guarantee and its return to the guarantor;

4) due to the waiver of the beneficiary of his rights under the guarantee by a written statement on the release of the guarantor from his obligations.

Termination of a guarantor's obligation on the grounds specified in paragraphs 1 (show_doc.fwx?rgn=767#B3YB102ZR9) , 2 (show_doc.fwx?rgn=767#B3YB10378S) and 4 of part one of (show_doc.fwx?rgn=767#B3YB103LUU) this article does not depend on whether the guarantee has been returned to him.

The guarantor who has become aware of the termination of the guarantee must notify the principal without delay.

Article 310. Recourse claims of the guarantor against the principal

The right of the guarantor to demand from the principal, by way of recourse, the reimbursement of the amounts paid to the beneficiary under the guarantee is determined by the agreement between the guarantor and the principal, in pursuance of which the guarantee was issued.

The guarantor is not entitled to demand from the principal reimbursement of amounts paid to the beneficiary not in accordance with the terms of the guarantee or for violation of the guarantor's obligation to the beneficiary, unless otherwise provided by the agreement between the guarantor and the principal.

§ 6. Deposit

Article 311 Deposit agreement form

A deposit is a sum of money issued by one of the contracting parties to prove the conclusion of the contract and to ensure its execution.

An agreement on a deposit, regardless of the amount of the deposit, must be made in writing.

In case of doubt as to whether the amount paid on account of payments due from the party under the contract is a deposit, in particular due to non-compliance with the rule established by paragraph two of (show_doc.fwx?rgn=767#B3YB103YBS) this Article, this amount shall be considered paid as an advance, unless otherwise proven.

Article 312

Upon termination of an obligation prior to the commencement of its execution by agreement of the parties or due to the impossibility of performance (Article 349 (show_doc.fwx?rgn=767#A000000361) of this Code), the deposit must be returned.

If the party that gave the deposit is responsible for non-performance of the contract, it remains with the other party. If the party that received the deposit is responsible for non-performance of the contract, it is obliged to pay the other party the double amount of the deposit.

Moreover, the party liable for non-fulfillment of the contract is obliged to compensate the other party for losses, offsetting the amount of the deposit, unless otherwise provided in the contract.

Chapter 23

Article 313

The right (claim) belonging to the creditor on the basis of an obligation may be transferred by him to another person under a transaction (assignment of a claim) or transferred to another person on the basis of a law.

The transfer of the creditor's rights to another person does not require the debtor's consent, unless otherwise provided by law or the contract.

If the debtor has not been notified in writing of the transfer of the creditor's rights to another person, the new creditor shall bear the risk of adverse consequences caused by this for him. In this case, the performance of the obligation to the original creditor is recognized as performance to the proper creditor.

The rules on the transfer of the creditor's rights to another person do not apply to recourse claims.

Article 314. Rights that cannot be transferred to other persons

The transfer to another person of rights inextricably linked with the personality of the creditor, in particular, claims for alimony and compensation for harm caused to life or health, is not allowed.

Article 315

Unless otherwise provided by law or the agreement, the right of the original creditor shall pass to the new creditor to the extent and on the terms that existed at the time of transfer of the right. In particular, the rights securing the fulfillment of the obligation, as well as other rights related to the claim, including the right to unpaid interest, are transferred to the new creditor.

Article 316. Evidence of the rights of the new creditor

The creditor, who has assigned the claim to another person, is obliged to transfer to him the documents certifying the right to claim, and to provide information that is important for the implementation of the claim.

The debtor has the right not to perform the obligation to the new creditor until the evidence of the transfer of the claim to this person is presented to him.

Article 317

The debtor has the right to raise against the claim of the new creditor the objections that he had against the original creditor by the time of receipt of the notice of the transfer of rights under the obligation to the new creditor.

Article 318

The rights of the creditor under the obligation are transferred to another person:

1) as a result of universal legal succession in the rights of the creditor;

2) by a court decision on the transfer of the creditor's rights to another person;

3) as a result of the performance of the obligation of the debtor by his guarantor or the pledgor who is not a debtor under this obligation;

4) upon subrogation (transfer) to the insurer of the rights of the creditor in relation to the debtor responsible for the occurrence of the insured event;

5) in other cases provided for by law.

Article 319. Conditions for the assignment of a claim

Assignment of the claim by the creditor to another person is allowed, as long as it does not contradict the law or the contract.

The assignment of a claim under an obligation in which the personality of the obligee is essential to the obligor is not allowed without the debtor's consent.

Section 320. Form of Assignment of a Claim

The assignment of a claim based on a transaction made in a simple written or notarial form must be made in the same form.

Assignment of a claim under a transaction requiring state registration must be registered in accordance with the procedure established for registration of this transaction.

Assignment of a claim on an order security is made by means of an endorsement (endorsement) on this security.

Article 321. Liability of an obligee who has assigned a claim

The original creditor who has ceded the claim shall be liable to the new creditor for the invalidity of the claim transferred to him, but shall not be liable for the failure of the debtor to fulfill this claim, except in the case when the original creditor has assumed a surety for the debtor to the new creditor.

Article 322. Transfer of debt

Transfer by the debtor of his debt to another person is allowed only with the consent of the creditor.

The new debtor has the right to raise against the creditor's claim all objections based on the relationship between the creditor and the original debtor.

A suretyship or a pledge established by a third party shall terminate with the transfer of the debt, unless the surety or pledgor has agreed to be responsible for the new debtor.

The rules contained in the first and second parts of (show_doc.fwx?rgn=767#B3YB104BQ3)Article 320 (show_doc.fwx?rgn=767#B3YB104PGI) of this Code shall apply accordingly to the form of debt transfer.

Article 323. Parallel transfer of debt and transfer of execution

It is allowed to transfer the debt or part of it without releasing the debtor from the obligation to pay the debt. In this case, both debtors are jointly and severally liable for the performance of the obligation.

On the basis of the debtor's agreement with a third party, the latter is liable to fulfill the obligation only in relation to the debtor, but not to the creditor.

Chapter 24. Liability for violation of obligations

Article 324

The debtor is obliged to compensate the creditor for losses caused by non-performance or improper performance of the obligation.

Unless otherwise provided by legislation or the contract, when determining losses, the prices that existed in the place where the obligation was to be performed are taken into account on the day the debtor voluntarily satisfies the creditor's claim, and if the claim was not voluntarily satisfied, on the day the claim was filed. Depending on the circumstances, the court may grant the claim for damages, taking into account the prices prevailing on the date of the judgment.

When determining the lost profit, the measures taken by the creditor to obtain it and the preparations made for this purpose are taken into account.

Article 325

If a penalty is established for non-fulfillment or improper fulfillment of an obligation, the losses shall be reimbursed to the extent not covered by the penalty.

The following cases may be established by law or contract: when it is allowed to recover only a penalty, but not losses; when damages can be recovered in full amount in excess of the penalty; when, at the choice of the creditor, either a penalty or damages can be collected.

Article 326

If the penalty payable is clearly disproportionate to the consequences of the breach of the obligee's obligation, the court may reduce the penalty. At the same time, the degree of fulfillment of the obligation by the debtor, the property status of the parties participating in the obligation, as well as the interests of the creditor must be taken into account.

The court, in exceptional cases, has the right, taking into account the interests of the debtor and the creditor, to reduce the penalty payable to the creditor.

Article 327. Liability for failure to fulfill a monetary obligation

For the use of other people's funds due to their unlawful retention, evasion of their return, other delay in their payment or unjustified receipt or saving at the expense of another person, interest on the amount of these funds shall be paid.

The amount of interest is determined by the discount rate of bank interest existing at the place of residence of the creditor, and if the creditor is a legal entity - at the place of its location on the date of fulfillment of the monetary obligation or its corresponding part. When recovering a debt in court, the court may satisfy the creditor's claim, based on the discount rate of bank interest on the day the claim is filed or on the day the decision is made. These rules apply unless a different amount of interest is established by law or by agreement.

If the losses caused to the creditor by the unlawful use of his funds exceed the amount of interest due to him on the basis of parts one (show_doc.fwx?rgn=767#B3YB1056L5) and two (show_doc.fwx?rgn=767#B3YB105F33) of this article, he has the right to demand compensation from the debtor for losses in the part exceeding this amount.

Article 328. Fulfillment of an obligation at the expense of the debtor

If the debtor fails to fulfill the obligation to manufacture and transfer the thing into ownership, economic management or operational management, or transfer the thing for use to the creditor, or perform certain work for him or provide him with a service, the creditor has the right to entrust the fulfillment of the obligation to third parties at a reasonable price within a reasonable time or perform it on their own, unless otherwise follows from legislation, the contract or the essence of the obligation, and demand compensation from the debtor for the necessary expenses incurred and other losses.

Article 329. Subsidiary liability

Prior to filing claims against a person who, in accordance with the law or the terms of an obligation, is liable in addition to the liability of another person who is the main debtor (subsidiary liability), the creditor must file a claim against the main debtor.

If the principal debtor refused to satisfy the creditor's claim or if the creditor did not receive from him within a reasonable time a response to the submitted claim, this claim may be brought against the person bearing subsidiary liability.

The creditor is not entitled to demand satisfaction of his claim against the principal debtor from the person bearing subsidiary liability if this claim can be satisfied by setting off a counter claim against the principal debtor or by indisputable collection of funds from the principal debtor.

The person bearing subsidiary liability must, prior to satisfaction of the claim presented to him by the creditor, notify the principal debtor about this, and if a claim is brought against such person, involve the principal debtor to participate in the case. Otherwise, the principal debtor has the right to raise against the recourse claim of the person liable in subsidiary, the objections that he had against the obligee.

Article 330. Responsibility and performance of an obligation in kind

Payment of a penalty and compensation for losses in the event of improper performance of an obligation shall not relieve the debtor from the performance of the obligation in kind, unless otherwise provided by law or the contract.

Compensation for losses in the event of non-performance of an obligation and payment of a penalty for its non-performance shall release the debtor from the performance of the obligation in kind, unless otherwise provided by law or the contract.

The creditor's refusal to accept the performance, which has lost interest for him due to the delay (Part two of Article 337 (show_doc.fwx?rgn=767#B3YB1060IU) of this Code), as well as the payment of a penalty established as a compensation (Article 342 (show_doc.fwx?rgn=767#A000000354) of this Code) release the debtor from the performance of the obligation in kind.

Article 331

In case of non-fulfillment of the obligation to transfer an individually defined thing into ownership, economic management, operational management or use by the creditor, the latter has the right to demand that this thing be taken away and transferred to the creditor on the conditions provided for by the obligation. This right shall lapse if the thing has already been transferred to a third person who has a similar right. If the thing has not yet been transferred, the creditor in whose favor the circumstance arose earlier, and if it cannot be determined, the one who filed the claim earlier, shall have priority.

Instead of a demand to transfer to him a thing that is the subject of an obligation, the creditor has the right to demand compensation for losses.

Article 332. Limitation of the amount of liability for obligations

For certain types of obligations and for obligations related to a certain type of activity, the law may restrict the right to full compensation for losses (limited liability).

An agreement on limiting the amount of liability of a debtor under an adhesion agreement or another agreement in which the creditor is a citizen acting as a consumer is invalid if the amount of liability for this type of obligation or for this violation is determined by law and if the agreement was concluded before the occurrence of circumstances entailing liability for failure to perform or improper performance of an obligation.

Article 333. Grounds for liability for violation of obligations

The debtor is liable for non-fulfillment or improper fulfillment of the obligation in the presence of fault, unless otherwise provided by law or the contract. The debtor is declared innocent if he proves that he has taken all measures depending on him for the proper performance of the obligation.

The absence of guilt is proved by the person who violated the obligation.

Unless otherwise provided by law or an agreement, a person who has not fulfilled or improperly fulfilled an obligation in the course of business activities shall be liable, unless he proves that proper fulfillment was impossible due to force majeure, that is, extraordinary and unavoidable circumstances under the given conditions (force- major). Such circumstances do not include, in particular, breach of obligations on the part of the debtor's counterparties, the absence of the goods needed for execution on the market, and the debtor's lack of the necessary funds.

An agreement concluded in advance on the elimination or limitation of liability for intentional breach of an obligation shall be invalid from the moment of its conclusion.

Article 334. Responsibility of the debtor for the actions of third parties

The debtor is liable for non-fulfillment or improper fulfillment of an obligation by third parties who were entrusted with its fulfillment, unless it is established by law or an agreement that a third person who is the direct executor is liable.

Article 335. Fault of the creditor

If the creditor deliberately or negligently contributed to the impossibility of performing the obligation or to increasing the amount of damages caused by non-performance, and also if the creditor intentionally or negligently did not take measures to reduce the losses from non-performance, the court may, depending on the circumstances of the case, reduce the amount of compensation or completely refuse to reimburse the creditor.

Article 336

If, in a bilateral contract, performance has become impossible for one party due to a circumstance for which it is responsible, the other party, unless otherwise provided by law or the contract, has the right to withdraw from the contract and recover the losses caused by non-performance of the contract.

Article 337. Delay in performance by the debtor and creditor

The debtor who has delayed the performance shall be liable to the creditor for the losses caused by the delay and for the impossibility of performance accidentally occurring during the delay.

If, due to the debtor's delay, the performance has lost interest for the obligee, he may refuse to accept the performance and claim damages.

The creditor is considered to be in default if he refused to accept the proper performance offered by the debtor, or did not perform the actions that he had to perform and before which the debtor could not perform his obligation.

Article 338. Consequences of a creditor's delay

The delay on the part of the creditor in accepting what is due under the contract entitles the debtor to compensation for the losses caused by the delay and releases him from liability for the subsequent impossibility of performance, except in cases of intent or gross negligence of the debtor.

Under a monetary obligation, the debtor is not obliged to pay interest for the period of delay of the obligee.

Article 339. Release of the creditor from liability for delay

The creditor shall be released from liability for delay if he proves that it is caused by the intent or negligence of those persons who, by virtue of law or the creditor's instruction, were entrusted with the acceptance of performance.

Chapter 25. Termination of obligations

Article 340. Grounds for termination of obligations

The obligation is terminated in whole or in part on the grounds provided for by this Code, other legislative acts or the contract.

Termination of an obligation at the request of one of the parties is allowed only in cases provided for by law or the contract.

Article 341. Termination of an obligation by performance

The obligation is terminated, as a rule, by its proper performance.

Article 342. Compensation

By agreement of the parties, the obligation may be terminated by a presentation in exchange for the performance of compensation (payment of money, transfer of property, etc.). The amount, terms and procedure for granting compensation are established by the parties.

Article 343. Termination of obligation by offset

The obligation shall be terminated in whole or in part by offsetting a homogeneous counter claim, the term of which has come or the term of which is not indicated or is determined by the moment of demand.

For set-off, a statement by one party is sufficient.

Article 344. Inadmissibility of set-off

Set-off of claims is not allowed:

for which the limitation period has expired;

on compensation for harm caused by damage to health or death to a citizen;

on the recovery of alimony;

on the alienation of the house with the condition of life maintenance;

in other cases stipulated by law or contract.

Article 345

If the claim is assigned, the debtor shall have the right to set off against the claim of the new obligee his counterclaim against the original obligee.

A set-off is made if the claim arose on the grounds that existed at the time the debtor received the notification of the assignment of the claim, and the time period for the claim came before it was received, or this period is not specified or is determined by the time of claim.

Article 346

The obligation is terminated by the coincidence of the debtor and creditor in one person.

Article 347. Termination of obligation by novation

The obligation is terminated by agreement of the parties to replace the original obligation that existed between them with another obligation between the same persons, providing for a different subject or method of performance (novation).

Novation is not allowed in relation to obligations to compensate for harm caused to life or health, and to pay alimony.

Novation terminates additional obligations associated with the original, unless otherwise provided by agreement of the parties.

Article 348. Debt forgiveness

The obligation shall be terminated by the release by the creditor of the debtor of his obligations, unless this violates the rights of other persons in relation to the property of the creditor.

Section 349. Termination of an Obligation by the Impossibility of Performance

The obligation is terminated by the impossibility of performance if it is caused by a circumstance for which neither party is responsible.

If it is impossible for the debtor to fulfill the obligation caused by the guilty actions of the creditor, the latter is not entitled to demand the return of what he performed under the obligation.

Article 350. Termination of obligation on the basis of an act of a state body

If, as a result of the issuance of an act of a state body, the fulfillment of an obligation becomes impossible in whole or in part, the obligation shall be terminated in full or in the relevant part. The parties that have suffered losses as a result of this shall have the right to demand their compensation in accordance with Articles 12 (show_doc.fwx?rgn=767#A000000012) and 15 (show_doc.fwx?rgn=767#A000000015) of this Code.

In the event that the act of the state body on the basis of which the obligation was terminated is recognized as invalid, the obligation is restored, unless otherwise follows from the agreement of the parties or the essence of the obligation and the performance has not lost interest for the creditor.

Article 351. Termination of an obligation by the death of a citizen

The obligation is terminated by the death of the debtor, if the performance cannot be made without the personal participation of the debtor, or if the obligation is otherwise inextricably linked with the person of the debtor.

The obligation is terminated by the death of the obligee if the performance is intended personally for the obligee or the obligation is otherwise inextricably linked with the person of the obligee.

Article 352. Termination of an obligation by liquidation of a legal entity

The obligation is terminated by the liquidation of a legal entity (debtor or creditor), except in cases where the legislation imposes the fulfillment of the obligation of a liquidated legal entity on another person (on a claim for compensation for harm caused to life or health, etc.).

Subsection 2. General provisions on the contract

Chapter 26. Concept and terms of the contract

Article 353. The concept of a contract

An agreement is an agreement between two or more persons on the establishment, change or termination of civil rights and obligations.

The rules on bilateral and multilateral transactions provided for in Chapter 9 (show_doc.fwx?rgn=767#A0SH0WINY7) of this Code shall apply to contracts.

The general provisions on obligations (Articles 234-352 (show_doc.fwx?rgn=767#A000000240) of this Code) shall apply to obligations arising from a contract, unless otherwise provided by the rules of this Chapter and the rules on certain types of contracts contained in this Code.

For contracts concluded by more than two parties, the general provisions on the contract apply, unless this contradicts the multilateral nature of such contracts.

Article 354. Freedom of contract

Citizens and legal entities are free to conclude a contract.

Coercion to conclude a contract is not allowed, except in cases where the obligation to conclude a contract is provided for by this Code, another law or an accepted obligation.

The parties may conclude an agreement not provided for by law.

The parties may conclude an agreement that contains elements of various agreements (mixed agreement). The relations of the parties under a mixed contract shall be governed by the rules on contracts, the elements of which are contained in the mixed contract, unless otherwise follows from the agreement of the parties or the essence of the mixed contract.

The terms of the contract are determined at the discretion of the parties, unless the content of the relevant terms is prescribed by law.

In cases where the term of the contract is provided for by a rule that is applied insofar as the agreement of the parties does not establish otherwise (dispositive rule), the parties may, by their agreement, exclude its application or establish a condition different from that provided for in it. In the absence of such an agreement, the terms of the contract are determined by a dispositive norm.

If the terms of the contract are not determined by the parties or by a dispositive norm, the relevant terms are determined by the business practices applicable to the relations of the parties.

Article 355

An agreement under which a party must receive payment or other consideration for the performance of its obligations is one for compensation.

A contract is recognized as gratuitous, under which one party undertakes to provide something to the other party without receiving payment from it or other counter provision.

The contract is supposed to be compensated, unless otherwise follows from the legislation, content or essence of the contract.

Article 356. Price

The execution of the contract is paid at the price established by the agreement of the parties.

In cases stipulated by law, prices (tariffs, rates, rates, etc.) established or regulated by authorized state bodies are applied.

Changing the price after the conclusion of the contract is allowed in cases and under the conditions provided for by law or the contract.

In cases where the price is not provided for in the compensated contract and cannot be determined based on the terms of the contract, the performance of the contract must be paid at the price that, under comparable circumstances, is usually charged for similar goods, works or services.

Article 357

The contract comes into force and becomes binding on the parties from the moment of its conclusion.

The parties have the right to establish that the terms of the agreement concluded by them apply to their relations that arose before the conclusion of the agreement.

The law or the contract may provide that the expiration of the term of the contract entails the termination of the obligations of the parties under the contract.

An agreement in which there is no such condition is recognized as valid until the moment of completion of the fulfillment of obligations by the parties specified in it.

The expiration of the contract does not release the parties from liability for its violation.

Article 358. Public contract

A public contract is a contract concluded by an organization and establishing its obligations for the sale of goods, performance of work or provision of services that such an organization, by the nature of its activities, must carry out in relation to everyone who applies to it (retail trade, transportation by public transport, communication services, energy supply , medical, hotel services, etc.). Such an organization is not entitled to give preference to one person over another in relation to the conclusion of a public contract, except as provided by law.

The price of goods, works and services, as well as other terms of a public contract, are established the same for all consumers, with the exception of cases where the legislation allows the provision of benefits for certain categories of consumers.

The refusal of the organization to conclude a public contract, if it is possible to provide the consumer with the relevant goods, services, perform the relevant work for him, is not allowed.

In case of unreasonable evasion of the organization from the conclusion of a public contract, the provisions provided for by parts six and seven of Article 377 (show_doc.fwx?rgn=767#A000000389) of this Code shall apply.

In cases provided for by law, the rules issued by the Government of the Republic of Uzbekistan are applied, which are binding on the parties when concluding and executing public contracts (standard contracts, provisions, etc.).

The terms of a public contract that do not meet the requirements established by parts two (show_doc.fwx?rgn=767#B3YB106KOQ) and five (show_doc.fwx?rgn=767#B3YB106ST6) of this article are invalid.

Article 359

The contract may provide that its individual conditions are determined by exemplary conditions developed for contracts of the corresponding type.

In cases where the contract does not contain a reference to exemplary conditions, such exemplary conditions apply to the relations of the parties as business practices.

Sample terms may be set out in the form of a sample contract or other document containing these terms.

Article 360

An accession agreement is an agreement, the terms of which are determined by one of the parties in forms or other standard forms and could be accepted by the other party only by joining the proposed agreement as a whole.

The party that has acceded to the agreement has the right to demand termination or amendment of the agreement if the agreement of accession, although not contrary to law, deprives this party of the rights usually granted under agreements of this type, excludes or limits the liability of the other party for breach of obligations, or contains other clearly burdensome for the acceding party. conditions that it, based on its interests, would not accept if it had the opportunity to participate in determining the terms of the contract.

In the presence of the circumstances provided for in paragraph 2 of (show_doc.fwx?rgn=767#B3YB1073OX) this article, the demand for termination or amendment of the contract, submitted by the party that joined the contract in connection with the implementation of its entrepreneurial activities, is not subject to satisfaction if the acceding party knew or should have known on what conditions it concludes contract.

Article 361. Preliminary contract

Under the preliminary agreement, the parties undertake to conclude in the future an agreement on the transfer of property, performance of work or provision of services (basic agreement) on the terms stipulated by the preliminary agreement.

The preliminary agreement is concluded in the form established for the main agreement, and if the form of the main agreement is not established, then in writing. Failure to comply with the rules on the form of a preliminary contract entails its invalidity.

The preliminary contract must contain conditions that allow to establish the subject, as well as other essential conditions of the main contract.

The preliminary contract indicates the period in which the parties undertake to conclude the main contract. If such a period is not specified in the preliminary agreement, the main agreement is subject to conclusion within a year from the date of conclusion of the preliminary agreement.

In cases where the party that has concluded the preliminary agreement evades the conclusion of the main agreement, the provisions provided for by the sixth and seventh parts of Article 377 (show_doc.fwx?rgn=767#A000000389) of this Code shall apply.

The obligations stipulated by the preliminary agreement shall terminate if, before the expiration of the period in which the parties must conclude the main agreement, it is not concluded or neither of the parties sends an offer to conclude this agreement to the other party.

Article 362. Contract in favor of a third person

A contract in favor of a third party is a contract in which the parties have established that the debtor is obliged to perform performance not to the creditor, but to a third party specified or not specified in the contract, who has the right to demand from the debtor the performance of the obligation in his favor.

Unless otherwise provided by law or the contract, from the moment a third party expresses its intention to the debtor to exercise its right under the contract, the parties cannot terminate or change the contract they have concluded without the consent of the third party.

The debtor in the contract has the right to put forward objections against the claim of a third party, which he could put forward against the creditor.

In the event that a third party has waived the right granted to him under the agreement, the creditor may exercise this right, if this does not contradict the law and the agreement.

Article 363. Interpretation of the contract

When interpreting the terms of the contract, the court takes into account the literal meaning of the words and expressions contained in it. The literal meaning of the terms of the contract in case of its ambiguity is established by comparison with other terms and the meaning of the contract as a whole.

If the rules contained in the first part of (show_doc.fwx?rgn=767#B3YB107H7Z) this article do not allow determining the content of the contract, the actual common will of the parties must be clarified, taking into account the purpose of the contract. In this case, all relevant circumstances are taken into account, including negotiations and correspondence preceding the contract, the practice established in the mutual relations of the parties, business practices, and the subsequent behavior of the parties.

Chapter 27

Article 364

The contract is considered concluded if the parties have reached an agreement on all essential terms of the contract in the form required in the relevant cases.

Essential are the conditions on the subject of the contract, the conditions that are named in the legislation as essential or necessary for contracts of this type, as well as all those conditions regarding which, at the request of one of the parties, an agreement should be reached.

The contract is concluded by sending an offer (offer to conclude a contract) by one of the parties and its acceptance (acceptance of the offer) by the other party.

Article 365

The contract is recognized as concluded at the moment the person who sent the offer receives its acceptance.

If, in accordance with the law, the transfer of property is also necessary for the conclusion of the contract, the contract shall be considered concluded from the moment of transfer of the relevant property (Article 185 (show_doc.fwx?rgn=767#A000000190) of this Code).

Article 366. Form of a contract

An agreement may be concluded in any form provided for transactions, unless a specific form is established by law for agreements of this type.

An agreement subject to notarization or state registration is considered concluded from the moment of notarization or registration, and if notarization and registration is necessary, from the moment of registration of the agreement.

If the parties have agreed to conclude a contract in a certain form, it is considered concluded after giving it the established form, although such a form was not required by law for contracts of this type.

An agreement in writing can be concluded by drawing up one document signed by the parties, as well as by exchanging documents by postal, telegraph, teletype, telephone, electronic or other communication, which makes it possible to reliably establish that the document comes from the party under the agreement.

The written form of the contract is considered to be complied with if the written proposal to conclude the contract is accepted in the manner prescribed by part four of Article 370 (show_doc.fwx?rgn=767#B42T0S2HN0) of this Code.

Article 367. Offer

An offer is recognized as an offer addressed to one or several specific persons, which is quite definite and expresses the intention of the person who made the offer to consider himself to have entered into an agreement with the addressee who will accept the offer.

The offer must contain the essential terms of the contract.

The offer binds the person who sent it from the moment it is received by the addressee.

If the notice of withdrawal of the offer was received earlier or simultaneously with the offer itself, the offer shall be deemed not received.

Article 368. Irrevocability of an offer

An offer received by the addressee cannot be revoked within the period established for its acceptance, unless otherwise stipulated in the offer itself or follows from the essence of the offer or the situation in which it was made.

Article 369 Public offer

Advertising and other offers addressed to an indefinite circle of persons are considered as an invitation to make offers, unless otherwise expressly stated in the offer.

An offer containing all the essential terms of the contract, from which the will of the person making the offer to conclude an agreement on the conditions specified in the offer with anyone who responds, is recognized as an offer (public offer).

Article 370. Acceptance

An acceptance is the response of the person to whom the offer is addressed about its acceptance.

The acceptance must be complete and unconditional.

Silence is not an acceptance, unless otherwise follows from the law, customary business practice or from previous business relations of the parties.

The performance by the person who received the offer, within the period established for its acceptance, of actions to fulfill the conditions of the contract specified in it (shipment of goods, provision of services, performance of work, payment of the appropriate amount, etc.) is considered acceptance, unless otherwise provided by law or not specified in the offer.

Article 371. Withdrawal of acceptance

If the notice of withdrawal of acceptance was received by the person who sent the offer before the acceptance or simultaneously with it, the acceptance shall be deemed not received.

Article 372

When the offer contains a period for acceptance, the contract is considered concluded if the acceptance is received by the person who sent the offer within the period specified in it.

Article 373

When a written offer does not contain a deadline for acceptance, the contract is considered concluded if the acceptance is received by the person who sent the offer before the expiration of the period established by law, and if such a period is not established, within the time normally required for this.

When an offer is made orally without specifying a deadline for acceptance, the contract is considered concluded if the other party immediately declared its acceptance.

Article 374. Acceptance received late

In cases where a timely notice of acceptance is received late, the acceptance is not considered late unless the party that sent the offer immediately notifies the other party of the receipt of the late acceptance.

If the party that sent the offer immediately notifies the other party of the acceptance of its acceptance received late, the contract is considered concluded.

Article 375. Acceptance on other conditions

The answer about the consent to conclude a contract on other terms than those proposed in the offer is not an acceptance. Such a response is recognized as a refusal of acceptance and at the same time a new offer.

Article 376

If the contract does not indicate the place of its conclusion, the contract is recognized as concluded at the place of residence of the citizen or the location of the legal entity that sent the offer.

Article 377

In cases where, in accordance with this Code or other laws, it is mandatory for the party to which the offer (draft agreement) is sent to conclude an agreement, this party must send to the other party a notice of acceptance or refusal of acceptance, or acceptance of the offer on other conditions (protocol of disagreements to the draft contract) within thirty days from the date of receipt of the offer.

The party that sent the offer and received from the party for which the conclusion of the contract is obligatory, a notice of its acceptance on other terms (the protocol of disagreements to the draft contract), has the right to transfer the disagreements that arose during the conclusion of the contract to the court within thirty days from the date of receipt of such notice or expiration of the acceptance period.

In cases where, in accordance with this Code or other laws, the conclusion of an agreement is obligatory for the party that sent the offer (draft agreement), and a protocol of disagreements to the draft agreement will be sent to it within thirty days, this party is obliged, within thirty days from the date of receipt of the protocol disagreements, notify the other party of the acceptance of the agreement in its wording or the rejection of the protocol of disagreements.

If the protocol of disagreements is rejected or the notice of the results of its consideration is not received within the specified period, the party that sent the protocol of disagreements has the right to refer the disagreements that arose during the conclusion of the contract to the court for consideration.

The rules on the terms provided for by parts one (show_doc.fwx?rgn=767#B3YB107XM7) , two (show_doc.fwx?rgn=767#B3YB1086IV) , three (show_doc.fwx?rgn=767#B3YB108ETF) and four of (show_doc.fwx?rgn=767#B3YB108OF8) this article shall apply unless other terms are established by law or agreed by the parties.

If a party, for whom, in accordance with this Code or other laws, the conclusion of a contract is mandatory, evades its conclusion, the other party has the right to apply to the court with a demand to compel the conclusion of the contract.

A party that unreasonably avoids concluding a contract must compensate the other party for the losses caused by this.

Article 378. Pre-contractual disputes

In cases of transfer of disagreements that arose during the conclusion of the contract to the court on the basis of Article 377 (show_doc.fwx?rgn=767#A000000389) of this Code, the terms of the contract on which the parties had disagreements are determined in accordance with the decision of the court.

Article 379

The contract, unless otherwise follows from its essence, may be concluded by holding an auction. The contract is concluded with the person who won the auction.

The owner of a thing or the holder of a property right or a specialized organization may act as an organizer of the auction. A specialized organization acts on the basis of an agreement with the owner of a thing or the owner of a property right and acts on their behalf or on its own behalf.

In the cases specified in this Code or another law, contracts for the sale of a thing or a property right may be concluded only through auctions.

Bidding is carried out in the form of an auction or competition.

The form of the auction is determined by the owner of the thing being sold or the owner of the property right being sold, unless otherwise provided by law.

The auction and competition, in which only one participant participated, is declared invalid.

The rules provided for by Articles 380 (show_doc.fwx?rgn=767#A000000392) and 381 (show_doc.fwx?rgn=767#A000000393) of this Code shall also apply to public auctions held in the manner of executing a court decision, unless otherwise provided by law.

Article 380

Auctions and competitions can be open and closed. Any person can participate in an open auction and open tender. Only persons specially invited for this purpose participate in the closed auction and closed competition.

Unless otherwise provided by law, the notice of the auction must be made by the organizer at least thirty days before the auction. The notice must contain, in any case, information about the time, place and form of the auction, its subject and procedure, including registration of participation in the auction, as well as information about the initial price.

If the subject of the auction is only the right to conclude a contract, the notice of the upcoming auction must indicate the period provided for this.

Unless otherwise provided in the law or in the notice of the auction, the organizer of the open auction, who made the notice, has the right to refuse to hold the auction at any time, but no later than three days before the date of its holding, and the tender - no later than thirty days before the competition.

In cases where the organizer of an open auction has refused to hold them in violation of the specified deadlines, he is obliged to compensate the participants for the real damage they have suffered.

The organizer of a closed auction or a closed tender is obliged to compensate the participants invited by him for the real damage, regardless of the time period after the notification was sent, the bidding was refused.

Bidders make a deposit in the amount, terms and procedure specified in the notice of the auction. If the auction does not take place, the deposit is refundable. The deposit is also returned to persons who participated in the auction, but did not win it.

When concluding an agreement with the person who won the auction, the amount of the deposit made by him is counted towards the fulfillment of obligations under the concluded agreement.

The person who won the auction and the organizer of the auction sign on the day of the auction or competition the protocol on the results of the auction, which has the force of the contract. The person who won the auction, if he evades signing the protocol, loses the deposit he made. The organizer of the auction, who avoided signing the protocol, is obliged to return the deposit in double size, as well as to compensate the person who won the auction for the losses caused by participation in the auction, in the part exceeding the amount of the deposit.

If the subject of the auction was only the right to conclude an agreement, such an agreement must be signed by the parties no later than twenty days or another period specified in the notice after the completion of the auction and the execution of the protocol. If one of them evades the conclusion of the contract, the other party has the right to apply to the court with a demand for compulsion to conclude the contract, as well as for compensation for losses caused by evading its conclusion.

Article 381

Auctions held in violation of the rules established by law may be declared invalid by the court at the claim of the interested person.

Recognition of the auction as invalid entails the invalidity of the contract concluded with the person who won the auction.

Chapter 28

Article 382

Amendment and termination of the contract are possible by agreement of the parties, unless otherwise provided by this Code, other laws or the contract.

At the request of one of the parties, the contract may be amended or terminated by a court decision only:

1) in case of a material breach of the contract by the other party;

2) in other cases provided for by this Code, other laws or an agreement.

Violation of the contract by one of the parties is recognized as essential, which entails such damage for the other party that it is largely deprived of what it was entitled to count on when concluding the contract.

In the event of a unilateral refusal to perform the contract in whole or in part, when such refusal is permitted by law or by agreement of the parties, the contract shall be considered terminated or amended accordingly.

Article 383

A significant change in the circumstances from which the parties proceeded when concluding the contract is the basis for its change or termination, unless otherwise provided by the contract or follows from its essence.

A change in circumstances is recognized as significant when they have changed so much that, if the parties could have foreseen this, the contract would not have been concluded by them at all or would have been concluded on significantly different terms.

If the parties have not reached an agreement on bringing the contract in line with the significantly changed circumstances or on its termination, the contract may be terminated, and on the grounds provided for in part five of (show_doc.fwx?rgn=767#B3YB10A21F) this article, amended by the court at the request of the interested party, if the following conditions are simultaneously present:

1) at the time of the conclusion of the contract, the parties proceeded from the fact that such a change in circumstances would not occur;

2) the change in circumstances is caused by reasons that the interested party could not overcome after they arose with the degree of conscientiousness and prudence that was required of it by the nature of the contract and the conditions of turnover;

3) the performance of the contract without changing its terms would so violate the balance of property interests of the parties corresponding to the contract and would cause such damage to the interested party that it would largely lose what it was entitled to count on when concluding the contract;

4) it does not follow from the customs of business transactions or the essence of the contract that the risk of a change in circumstances is borne by the interested party.

When terminating the contract due to materially changed circumstances, the court, at the request of either party, determines the consequences of terminating the contract, based on the need for a fair distribution between the parties of the costs incurred by them in connection with the execution of this contract.

A change in the contract due to a significant change in circumstances is allowed by a court decision in exceptional cases when the termination of the contract is contrary to public interests or will entail damage for the parties that significantly exceeds the costs necessary to fulfill the contract on the conditions changed by the court.

Article 384

An agreement to amend or terminate a contract is made in the same form as the contract, unless otherwise follows from legislation, the contract or business practices.

A demand to amend or terminate the contract may be filed by a party to the court only after receiving a refusal from the other party to the proposal to change or terminate the contract or failure to receive a response within the time period specified in the proposal or established by law, or by the contract, and in its absence - within thirty days.

Article 385. Consequences of amendment and termination of the contract

When the contract is amended, the obligations of the parties remain unchanged.

Upon termination of the contract, the obligations of the parties cease.

In the event of a change or termination of the contract, the obligations are considered changed or terminated from the moment the agreement of the parties on the change or termination of the contract is concluded, unless otherwise follows from the agreement or the nature of the change in the contract, and in the event of a change or termination of the contract in a judicial proceeding - from the moment it enters into force. court decision to change or terminate the contract.

The parties are not entitled to demand the return of what was performed by them under the obligation before the moment of amendment or termination of the contract, unless otherwise provided by law or by agreement of the parties.

If the basis for changing or terminating the contract was a material breach of the contract by one of the parties, the other party has the right to demand compensation for losses caused by the change or termination of the contract.