

DECREE OF THE PRESIDENT OF THE REPUBLIC OF AZERBAIJAN

on approval of the 'Regulations on official registers of movable property, their compilation and maintenance'

In order to formulate a single legal base for compilation and maintenance of official registers of movable property I **decide**:

1. To approve the 'Regulations on official registers of movable property, their compilation and maintenance' (Annex 1) (attached).
2. To approve the 'List of types of property registered in official registers of movable property and *administrative bodies* registering them' (Annex 2) (attached).
3. The Cabinet of Ministers of the Republic of Azerbaijan to solve issues arising from this Decree.
4. This Decree takes effect from the day of publication.

Ilham ALIYEV,
President of the Republic of Azerbaijan

Baku city, 11 April 2007
№ 564

Regulations
on official registers of movable property, their compilation and maintenance

I. GENERAL PROVISIONS

1.1. These Regulations have been developed in accordance with the Civil Code of the Republic of Azerbaijan, the Law of the Republic of Azerbaijan 'on Mortgage' and other legislative acts and determine general rules on composition, compilation and maintenance of official registers of movable property irrespective the form of ownership (hereinafter – registers) in the Republic of Azerbaijan.

1.2. Compilation and maintenance of registers consists of inclusion, updating or deleting in the registers of information on each type of movable property, its origination (production), formation, restriction (encumbrance), transfer and termination of ownership and other property rights on that property.

The information in registers is deleted in case of destruction of the property this information relates to or in case of permanent alienation in connection with its permanent removal from the Republic of Azerbaijan.

1.3. Registers are maintained in the state language of the Republic of Azerbaijan.

1.4. The legislation may imply provisions regulating a special order of maintaining relevant registers.

1.5. Registers are maintained on paper and electronic media. When entries on paper and electronic media of the registers mismatch, the information on paper prevails. In case of discrepancy between entries in the register and the documents that are the basis for the registration of rights, the documents prevail.

1.6. The register book consists of volumes consisting of sheets surrounded (filed) by a cardboard cover (the sheets can be removed only by tearing or cutting). Each volume of the register book contain numbers of the first and last sections and pages included in that volume. The number of sections and pages in each volume continues the number of sections and pages in the previous volume.

1.7. The register on electronic media is maintained in accordance with the provisions of the Law of the Republic of Azerbaijan 'on Electronic signature and electronic document' and other legislative acts. The following requirements should be followed in this case:

1.7.1. take measures on creation of a reliable protection system to follow a necessary order for information handling, in particular prevent information loss and exclude illegal access to information;

1.7.2. promptly enter information into the database and keep it there unchanged and clearly legible;

1.7.3. ensure possibility of proving information entry, change and deletion.

1.8. Maintaining the register on electronic media also provides for compilation of relevant lists on movable property, the rights on that property and owners of those rights, restrictions and on other indicators in the same manner and keeping them in working condition.

II. THE ORDER OF COMPIIATION AND MAINTENANCE OF REGISTERS

2.1. Registers contain an information section on each movable property. Sections are numbered in Arabic numerals and should include the following information:

2.1.1. name, type and individual number(s) (of composition) of movable property;

2.1.2. information on the owner of movable property and persons who have other property rights on it;

2.1.3. information on documents confirming the right of ownership to movable property and other property rights (with requisites of documents);

2.1.4. information on documents confirming restriction, transfer and termination of rights to movable property (with requisites of documents).

2.2. Movable property is registered in registers based on the following documents:

2.2.1. deals on movable property concluded in accordance with the legislation;

2.2.2. court decisions that have entered into force;

2.2.3. other grounds provided for in the legislation.

2.3. Rights to movable property are registered based on an application submitted by owners of the property or persons who have other property rights over it.

The application should include first, last, middle names, address, identity document of the individual submitting it, and the full name, address, content of the request and attached documents of the legal entity.

If another person submits an application on behalf of the acquirer, relevant power of attorney should be notarized. The application of a legal entity and the power of attorney issued to its representative should be stamped by that legal entity. Applicants should provide proof of identity

Administrative bodies maintaining registers in accordance with these Regulations and other legislative acts determine the application form and the list of documents to be attached with the application.

2.4. The application is submitted within 5 (five) working days after origination (production) of movable property, conclusion of a transaction or restriction of rights on it, unless otherwise provided by law.

2.5. Rights are registered in the first-in first-out order.

2.6. The application log (application register) and folders containing documents that are the basis for registration of rights are an integral part of the register.

2.7. The application log contains the following information:

2.7.1. documents on applicants, content of the request, movable property, right holders;

2.7.2. relevant documents issued on registration of rights;

2.7.3. information provided from the register in accordance with Items 3.1 and 3.2 herein and persons who received them.

2.8. If no defects are found in the application and attached documents, a relevant note is made in registers within 5 (five) working days and the applicant receives a relevant document on registration of movable property in the register as per the legislation. In exceptional cases, if additional research is required, the period may be extended up to 15 (fifteen) working days.

2.9. If defects are found in the submitted documents that do not lead to refusal to register movable property, those documents are returned to the applicant and an additional period of 5 (five) working days is set to eliminate deficiencies. All deficiencies that do not give rise to a waiver should be identified at the same time and formally notified to the applicant for elimination.

2.10. Within 5 (five) working days after elimination of all deficiencies that did not cause refusal and re-submission of documents, the applicant is registered in registers and the relevant document on registration of movable property in the register is issued in the form prescribed by law.

2.11. Registration of the rights may be refused if:

2.11.1. the right applied for registration cannot be registered in accordance with the legislation;

2.11.2. the form and content of the documents that do not require notarization for registration of rights do not meet the requirements established by law;

2.11.3. a person who does not have the right to submit an application for registration of rights applies;

2.11.4. the person who issued the confirming document on the movable property does not have the authority to dispose of the right over the property;

2.11.5. in other cases provided for in the legislation.

2.12. If deficiencies that lead to refusal to register the property are identified, the applicant is notified in writing within 5 (five) working days. In exceptional cases, if

additional research is required, the period may be extended up to 15 (fifteen) working days.

2.13. The rights to movable property based on a court decision that has entered into force are registered within the period established by the relevant legislation.

2.14. Mortgage of movable property is *state* registered in accordance with the Law of the Republic of Azerbaijan 'on Mortgage'.

III. PROCEDURE FOR OBTAINING INFORMATION FROM REGISTERS

3.1. To obtain information from registers, legal entities and individuals apply to *administrative bodies* maintaining the relevant register. Individuals attach with the application a copy of the identity document, legal entities – a copy of the document confirming state registration of the legal entity under the law and, if a representative submits the application, a power of attorney confirming the powers of the representative.

3.2. Information from registers (or a decision to refuse to provide information) is provided within 3 (three) working days from the date of registration of the application. Information from registers is provided in the form established by *administrative bodies* maintaining registers, indicating the number and date of the document, signed and stamped by an official of that body.

3.3. The decision to refuse to provide information or information from registers is delivered to the applicant directly or sent by mail.

3.4. Provision of information is refused if:

3.4.1. the applicant's information of interest constitutes state secrecy;

3.4.2. the required documents are not submitted in the prescribed manner.

3.5. *The Anti-Corruption Directorate under General Prosecutor's Office of the Republic of Azerbaijan uses electronic data from registers in real time.*

IV. ADDITIONS AND CHANGES TO REGISTERS

4.1. The *administrative body* maintaining the register eliminates changes in the information included in the register that do not affect the rights and interests of interested persons and do not lead to significant results and technical errors made during registration, within three days from the date of their discovery or receipt of applications from interested parties.

Interested participants in relations arising from the registration of rights should be notified in writing within 48 hours on elimination of mistakes.

4.2. Technical errors made during the registration of rights are corrected and modified if there are grounds to believe that they will not harm right holders or third

parties or violate their legitimate interests. If the right holder or a third party objects, such changes are made based on a court decision

V. FINAL PROVISIONS

5.1. *Administrative bodies* that registered the property keep the documents related to each registered movable property for the period established by the legislation. Those *administrative bodies* are responsible for safekeeping of documents.

5.2. Officials of *administrative bodies* registering real estate are liable in accordance with the legislation in case of violation of registration rules.

5.3. Applicants are liable under the law for accuracy of the documents submitted and the information contained therein.

5.4. Decisions made by *administrative bodies* in charge of registration of movable property and actions (inaction) of their officials may be appealed in an administrative manner and (ø) in court.

APPROVED
by Decree No.564 of the President of
the Republic of Azerbaijan
dated 11 April 2007
Annex 2

LIST
of types of property registered in official registers of movable property and
***administrative bodies* registering them**

№	Types of registered property	Names of <i>administrative bodies</i> that maintain official registers of movable property
1	2	3
1.	Service and civilian weapons	Ministry of Internal Affairs of the Republic of Azerbaijan
2.	All types, brands, models of motor vehicles, their trailers and semi-trailers owned by legal entities and individuals (except for the Armed Forces of the Republic of Azerbaijan and other formations) and with an engine capacity of 50 sm ³ and more and a maximum design speed of more than 50 km/h	Ministry of Internal Affairs of the Republic of Azerbaijan
3.	Trams and trolleybuses	Executive power bodies of cities and districts (except for city districts)
4.	<i>Tractors, as well as motor vehicles used in forestry and agriculture, the list of which is determined by the Cabinet of Ministers of the Republic of Azerbaijan</i>	Ministry of Agriculture of the Republic of Azerbaijan
5.	<i>Technological vehicles, as well as other motor vehicles, the list of which is determined by the Cabinet of Ministers of the Republic of Azerbaijan, except for the vehicles specified in Items 1 and 3, Part II, Article 27 of the Law of the Republic of Azerbaijan 'on Road Traffic'</i>	Ministry of Emergency Situations of the Republic of Azerbaijan

6.	Racing vehicles of legal entities and individuals	Ministry of Youth and Sports of the Republic of Azerbaijan
7.	Mechanical vehicles of the Armed Forces of the Republic of Azerbaijan and other formations	Ministry of Defense of the Republic of Azerbaijan
8.	Movable things documented with securities	Financial Markets Supervisory Authority of the Republic of Azerbaijan
9.	Ships sailing under the State Flag of the Republic of Azerbaijan (except for small vessels)	Ministry of Transport, Communication and High Technologies under the Cabinet of Ministers of the Republic of Azerbaijan
10.	Small vessels	Ministry of Emergency Situations of the Republic of Azerbaijan
11.	Railway vehicles	Ministry of Communication and High Technologies of the Republic of Azerbaijan
12.	Civil aircrafts	Ministry of Communication and High Technologies of the Republic of Azerbaijan
13.	All films intended for general release in the territory of the Republic of Azerbaijan (cinema hall, video hall, video broadcasting stations, broadcast and cable television)	Ministry of Culture and Tourism of the Republic of Azerbaijan
14.	Rare and valuable publications in libraries, special collections	Ministry of Culture and Tourism of the Republic of Azerbaijan
15.	Documents of the national archive fund, regardless of the form of ownership and place of protection	National Archive Department of the Republic of Azerbaijan
16.	Movable historical and cultural monuments	Ministry of Culture and Tourism of the Republic of Azerbaijan
17.	Materials and products of geodesy, topography and cartography	Ministry of Ecology and Natural Resources of the Republic of Azerbaijan (except for special (field) geodetic materials and products), State Committee for Property Issues of the Republic of Azerbaijan (with respect to special (field) geodetic materials and products)

Note: The types of movable property specified in Items 1, 8, 13 (except for special collections), 14, 15 and 16 of this List do not relate to the subject of mortgage.