

## ABOUT EXECUTION

### THE LAW OF AZERBAIJAN REPUBLIC

This Law regulates decisions of the courts of the Republic of Azerbaijan, decisions of international arbitrums and courts of arbitration, courts of arbitration and arbitration of foreign states on cases of civil and economic disputes, decisions on acquisition of property and of court rulings, *court rulings on administrative offenses*, short-term enforcement orders issued by bodies authorized to look into cases related to domestic violence, as well as other bodies in cases stipulated by the legislation of the Republic of Azerbaijan (hereinafter referred to as the court and other bodies) the rules and conditions of mandatory execution of the laws.

#### CHAPTER I

#### GENERAL PROVISIONS

##### **Article 1. The Legislation of Azerbaijan Republic about execution**

1.1. The legislation of the Republic of Azerbaijan consists of the Constitution of the Republic of Azerbaijan, this Law, the Law of the Republic of Azerbaijan "About Executive Officers", The Civil Procedure Code of the Republic of Azerbaijan, as well as other legislative acts.

*1.1-1. Decisions on application of administrative penalties on administrative offenses are carried out in accordance with the requirements of Articles 142, 143, 144.1, 145, 146.3, 147, 150 of the Code of Administrative Offenses of the Republic of Azerbaijan.*

1.2. International treaties shall be applied in the interstate agreements where the Republic of Azerbaijan is a party.

*1.3. Execution of decisions of courts and other bodies in the free economic zone of Alat is regulated in accordance with the requirements of the Law of the Republic of Azerbaijan "About Free Economic Zone".*

##### **Article 1-1. The principles of executive legislation**

*Implementation legislation is based on the rule of law and the equality of all before the law, objectivity and fairness.*

##### **Article 2. Mandatory executive bodies**

2.1. Compulsory enforcement of judgments and other bodies' decisions in the Republic of Azerbaijan shall be carried out by executive officers.

2.2. Powers of executive officials are determined by the legislation of the Azerbaijan Republic.

##### **Article 3. Obligation of executive officer's requirements**

3.1. In connection with the execution of the decisions of the courts and other bodies the requirements of the executive officer are mandatory for all bodies, legal entities, their officials and individuals in the territory of the Republic of Azerbaijan.

3.2. Persons who fail to comply with the requirements of the enforcement authorities related to the execution of the decisions of the courts and other agencies, shall be responsible for the manner prescribed by the legislation of the Azerbaijan Republic.

#### **Article 4. Other bodies and organizations that fulfill the requirements of the judgments and other bodies' decisions**

4.1. In cases provided for by this Law, the requirements of the court and other bodies' decisions on cash withdrawals are executed by the tax authorities, banks and other credit institutions.

4.2. In the cases stipulated by the legislation of the Republic of Azerbaijan, the court and other bodies' decisions may be executed by other bodies, officials, as well as by legal entities and individuals.

4.3. Organs, organizations and persons referred to in articles 4.1 and 4.2 of this Law shall not be considered as compulsory enforcement authorities.

4.4. Administrative acts adopted by the administrative body (except for administrative acts and administrative acts pertaining to payment of monetary claims), including the administrative complaint, shall be executed by the administrative body which has adopted it in the manner prescribed by the relevant law of the Azerbaijan Republic.

#### **Article 5. Ensure execution of actions by banks and other credit institutions**

5.1. The bank officer or other credit organization submits a certified copy of the executive officer's executive copy to the bank or another credit institution with information on the accounts of the debtor and the presence of cash flows in the accounts of the executive officer, the court and other authorities.

5.2. The bank or other credit organization which serves the debtor's accounts, implements the execution requirements of the execution document within seven days from the date of receipt of the execution document from the executive officer or does not have adequate cash to meet the claims of the debtor, incomplete or partial execution of those claims writes in the executive document.

5.3. A bank or other credit organization which do not comply with the requirements specified in Article 5.2 of this Law, shall be subject to administrative liability in accordance with the legislation of the Azerbaijan Republic in accordance with the protocol of administrative offense of the executive officer.

#### **Article 6. Execution documents**

6.1. Executive documents are the followings:

6.1.1. by the courts:

Decisions of the courts of the Azerbaijan Republic;

judgments of the courts on taking measures to secure the claim;

part of the judgments, rulings and decisions of the courts on acquisition of the property;

decisions of international arbitrages and jury courts;

executive sheets issued on the basis of the decisions of foreign courts and arbitration.

6.1.2. court orders;

6.1.3. notarized agreements on payment of alimony;

6.1.4. notary's executive records;

6.1.5. decisions of bodies (officials) who are authorized to look at cases on administrative offenses;

6.1.6. Decisions of other bodies in cases provided for by the legislation of the Republic of Azerbaijan;

6.1.7. In the case of a promissory note, in the case of a promissory note, the protest against a bill for non-payment on a promissory note;

6.1.8. Administrative acts related to the payment of monetary claims by administrative acts and other administrative bodies accepted by the municipalities;

6.1.9. short-term protection orders issued by competent authorities (hereinafter referred to as the short-term security order).

#### **A r t i c l e 7 . Requirements about executive documents**

7.1. The followings are indicated in the performance document:

7.1.1. the name of the court or other body that issued the executive document;

7.1.2. the work or materials and their numbers, which are the basis of the execution document;

7.1.3. when the decision to be executed is made;

7.1.4. surname, name, patronymic, place of residence of the debtor and his / her place of employment; the name, address of the legal entity, demanding and debtor;

7.1.5. the final part of the judgment or other body's decision;

7.1.6. when the court or other authority takes effect;

7.1.7. the time when the execution document was issued and the period for its execution.

7.2. The execution certificate issued by the court decision shall be signed by the judge and certified by the seal of the court.

7.3. Other executive documents are signed by those who have received or approved them and certified by a seal.

7.4. The contents of the agreement approved by the notary public on the payment of court order and alimony are determined by the Civil Procedure Code and Family Code of the Republic of Azerbaijan respectively. The content of the *notary's* executive records is determined by the Law of the Republic of Azerbaijan "About Notary".

## **Article 8 . Starting execution proceedings**

8.1. Implementation of the execution document is the responsibility of the court or other body that issued the relevant decision. If the execution document complies with the requirements provided for in Article 7 of this Law, the executive officer must accept the execution document from the court or other authority and start the proceedings.

8.2. The Executive Officer decides to initiate proceedings within three days from the date of receipt of the performance document.

In the same decision, the executive officer shall, within the court decision for voluntary execution of the requirements specified in the executive document, appoint a maximum of ten days from the date of the commencement of the proceedings and notify the debtor, *except for the period of execution specified in paragraph 3 of this Article*. The notification shall indicate that the indicated requirements will be compulsory and will be deducted from the performance of the execution of the payment and performance of the actions envisaged by this Law upon expiry of that period.

*The method of sale of the mortgage object in the open market is provided in the mortgage contract and at the request of one of the parties, the notary will send the application for a mortgage on the open market to the executive body within one working day together with the execution record. The mortgage object is settled on the open market for a voluntary execution of the demand within two months. When a mortgage is sold in an open market during this period, the notary transfers the amount of the proceeds from the deposit account to the deposit account of the executive body. In the event that the subject of mortgage is not sold in the open market during this period, the request shall be executed by the executive officer compulsory.*

8.3. A copy of the decision on the commencement of the proceedings shall be sent to the claimant, the debtor, as well as to the court or other body (with the exception of a notary), who issued the execution document within one day after its adoption.

8.4. In order to ensure the execution of the execution document on property claims, the executive officer lists the debtor's property and makes appropriate note in the decision on the initiation of the proceedings.

8.5. The parties may file a complaint to the court within 10 days of receipt of the copy of the decision on the commencement of the proceedings.

## **Article 9 . Results of breach of the requirements of the performance document**

9.1. The executive officer shall return the execution document, which does not comply with the requirements provided for in Article 7 of this Law, to the court or other body which has issued the execution document within a period of three days from the date of its receipt and make relevant decision on that.

9.2. The Executive Officer shall inform the claimant within one day from the date of making the decision on the decision to return the execution document.

9.3. The decision on returning the execution document indicates the grounds for its return. The executive officer informs the court or the other authority about the violations that have been committed.

9.4. The violations should be eliminated within three days and sent to the executive officer.

#### **Article 10 . Place of execution of actions**

10.1. Where the debtor is a natural person, the performance of the performance shall be carried out at the place of his residence or at his place of business or in the possession of his property.

Where the debtor is a legal entity, enforcement proceedings are carried out at the place where it is located or where the property is located.

10.2. Requirements for the obligation of the debtor to perform certain actions are executed in the manner and place specified in the performance documents.

10.3. An executive officer shall draw up an act when it is found out that during the execution of the debtor's place of residence or location or change of his place of business or the debtor's property can not be dispatched or the property is insufficient to satisfy the claims of the claimant. The Executive Officer shall, within one day from the date of drawing up the act, send the execution document together with a copy of that act to the debtor's new place of residence or at the place of the new workplace or to the new office where the debtor's property is located, and send it to the claimant, the court or other authority (*except for a public notary*).

10.4. An execution document sent by an executive officer must be accepted by the other executive officer on the relevant territory to the proceedings. The disputes arising between the enforcement officers regarding the place of implementation of the enforcement proceedings shall be resolved by the head of the executive.

#### **Article 11 . Time of implementation of executive actions**

11.1. Implementation activities are carried out on working days, not later than 8 am and not later than 22 o'clock. The exact time of execution of executive actions is determined by the executive officer. The parties to the proceedings may make suggestions regarding the timing of the enforcement actions.

11.2. During non-working days defined by the legislation of the Republic of Azerbaijan, execution of enforcement actions shall be permitted only in urgent circumstances or during performance of executive actions due to the debtor's fault in working days.

11.3. Implementation of executive acts from 22:00 to 8:00 is allowed only in cases of danger to life and health of individuals.

11.4. In cases provided for in Articles 11.2 and 11.3 of this Law, enforcement proceedings shall be carried out only with the written consent of the head of the executive body.

#### **Article 12 . Periods of implementation of executive actions**

*12.1. Except as otherwise provided in paragraph 3 of Article 8.2 of this Law, the executive officer shall carry out all necessary enforcement actions within two months of receipt of the performance document.*

~~12.2. The following executive documents should be executed immediately:~~

~~12.2.1. on deductions of alimony, wages and all debts on these payments;~~

~~12.2.2. on restitution of an employee who has been dismissed from illegal employment or other work.~~

12.3. Requirements immediately envisaged by the legislation of the Republic of Azerbaijan or execution document shall be executed promptly.

### **Article 13 . Periods of implementation of executive documents**

13.1. Implementation documents should be directed to:

13.1.1. Execution papers and court orders issued on the basis of court decisions, except as provided for in Articles 13.1.3-2, 13.1.4-1 and 13.1.5 of this Law - within one month;

13.1.2. execution papers, issued on the basis of decisions of the courts on taking measures to secure the claim - immediately;

13.1.3. notary's executive records and decisions of authorities (officials) who are authorized to review cases on administrative offenses - immediately;

13.1.3-1. Decisions of authorities (officials) who are authorized to review cases on administrative offenses, except as provided for in Article 13.1.3.2 of this Law - within ten days;

13.1.3-2. decisions on application of administrative penalties in administrative penalties - within the period specified in Article 150 of the Code of Administrative Offenses of the Republic of Azerbaijan.

13.1.4. execution sheets issued on the basis of decisions of international arbitrages and jury courts, decisions of foreign courts and arbitration - within three years;

13.1.4-1. execution papers, issued on the basis of court decisions on the receipt of funds for the maintenance of a person, including alimony - immediately;

13.1.5. the short-term enforcement order and the execution papers issued on the basis of court rulings on giving a long-term protection order to the victim of domestic violence - immediately.

13.2. The terms defined in Article 13.1 of this Law shall be calculated as follows:

13.2.1. When executing execution documents (except for court orders) mentioned in Articles 13.1.1 and 13.1.4 of this Law - from the moment when the court decision comes into force or expires on the expiration of the execution or delay in its execution , if the judgment is to be immediately executed - the day after the day of its adoption, the court decision should be immediately executed - the day after the day of its adoption;

13.2.2. when executing judicial orders - after expiration of ten days from the date of their issuance;

13.2.3. when executing execution documents specified in Article 13.1.3 of this Law – since adoption of the relevant decision.

### **Article 14 . Explaining the decisions of the courts and other authorities**

14.1. If the requirements specified in the performance document are unclear, the executive officer should apply to the relevant court or other authority to explain the decision, which is the basis for the issuance of that execution document, as well as the document referred to in the law.

14.2. The court or other body shall consider the application of the executive officer within ten days from the date of its receipt and, if necessary, explain the relevant decision, which is the basis for the issuance of the performance document, as well as the document referred to as the performance document, without altering its content.

### **Article 15. Deferment of execution of decisions of courts and other bodies or their partial execution**

Tərəflər icra sənədinin icrasına möhlət verilməsi və ya onun hissə-hissə icrası yaxud icra sənədinin icrası üsulunun və qaydasının dəyişdirilməsi haqqında işə baxmış məhkəməyə müraciət edə bilərlər. Borclunun əmlak vəziyyətini və digər halları nəzərə alaraq, məhkəmə həmin müraciətlərə Azərbaycan Respublikasının Mülki Prosessual Məcəlləsinin 231-ci Articlesi ilə müəyyən edilmiş qaydada baxır.

### **Article 16. Postponement of execution actions**

16.1. Where there are circumstances that make it difficult for the executive to perform, the executive officer postpones the execution of the proceedings for a period not exceeding ten days, based on the motivated appeal of the claimant or the debtor.

16.2. The executive officer decides on the postponement of the enforcement proceedings and the decision is verified by the head of the executive body. The parties, as well as the relevant court or other authority (except for a notary public), shall be notified about this.

16.3. The parties may file a complaint to the relevant court within 3 days after the decision of the executive officer on the postponement of the enforcement proceedings.

16.4. Postponement of the proceedings on the part of the courts regarding the acquisition of the property by the criminal cases is carried out in accordance with the procedure laid down in Article 510 of the Criminal Procedure Code of the Republic of Azerbaijan.

### **Article 17. Obligation to discontinue proceedings**

17.1. The proceedings under the enforcement proceeding shall be terminated in the following cases:

17.1.1. if the legal relationship established by the court permits inheritance or legal succession, the death of the debtor, the declaration of the missing or the missing, and the commencement of the debtor's bankruptcy proceedings;

17.1.2. when the debtor loses its operating capacity;

17.1.3. when the debtor is in the frontier part of the Armed Forces of the Republic of Azerbaijan or the relevant request of the claimant in the armed forces of the Armed Forces of the Republic of Azerbaijan or when there are facts or facts exist;

17.1.4. a dispute arising out of the debtor's dispute by the debtor on the basis of the performance document or its issuance (*except for the requirement for the performance of a notary issued pursuant to the Law of the Azerbaijan Republic "About Mortgage"*), if such dispute is permitted by law;

17.1.5. when a complaint is filed to the court from actions of bodies (officials) authorized to look into cases of administrative violations;

17.1.6. if the court is sued for release from the arrest of the property claimed by the enforcement claim;

17.1.7. When the appellate and cassation appeals lodged with the judicial acts adopted in the proceedings are admitted to the proceedings of the respective courts;

17.1.8. Appeals from the judicial acts adopted on the case are admitted to the proceedings of the Constitutional Court of the Azerbaijan Republic;

*17.1.9. the executive officer applies to the relevant court or other authority for the explanation of the decision made as the basis for the issuance of the performance document, as well as the document referred to as the enforcement document;*

*17.1.10. if the claimant has the appropriate request.*

### **Article 18 . Circumstances that can be discontinued**

18.1. The proceedings on the execution of the proceedings may be interrupted in the following cases:

18.1.1. the executive officer applies to the relevant court or other body to explain the decision, which is the basis for the issuance of the performance document, as well as the document referred to as the enforcement document under the law;

18.1.2. if the debtor is beyond the boundaries of the place where the execution was committed by reason of good reason;

18.1.3. if he is treated in a stationary treatment facility for a serious illness;

18.1.4. if a complaint is filed against the executive officer or the actions of the executive officer;

18.1.5. the debtor is in search of his property or his child is wanted;

18.1.6. if the claimant has the appropriate request.

### **Article 19 . The duration of the suspension of the proceedings**

19.1 In the cases provided for in Articles 17 and 18 of this Law, the proceedings shall be suspended until:

19.1.1. if the debtor is deemed dead, dead or declared unrecognizable, deemed unable to act as well as the debtor's bankruptcy proceedings commenced - until the successor or successors of the court have been determined, the guardianship and guardianship to the person designated by the body or until the appointment of a guardian to an ineligible person or a decision on the case;

19.1.2. if the borrower or the claimant is in the actual military service of the armed forces of the Armed Forces of the Republic of Azerbaijan, for reasons which are beyond the boundaries of the place of execution, in a stationary treatment institution or in search of a child who is searched or seized by the debtor - until the discharge of the service or the search for a child from the debtor, his property or his or her acquired child, until the service is terminated or the contractual service is terminated before the return to the place of the enforcement proceedings;

19.1.3. as a justification for the execution of the performance, as well as the performance document or execution document, the dispute on the decision of the court or other authority - until the dispute is considered on the merits;



19.1.4. if a complaint is filed against a non-fulfillment of a protest by an executive officer - until the court considers that complaint;

19.1.5. Until the Constitutional Court of the Republic of Azerbaijan has made a decision on the complaint received from the case;

19.1.6. Until the judgment of those courts has come into legal force in respect of the appellate and cassation appeals lodged with the judicial acts adopted in the proceedings; [44]

19.1.7. in other cases - until the reasons for suspension of the proceedings have been eliminated.

*19.2. Upon elimination of the circumstances that led to the dismissal, the executive officer or the executive body shall renew the proceedings on the petition of the claimant or on its own initiative.*

*19.3. Upon elimination of the circumstances leading to the cessation of the proceedings of the other body, the enforcement of the proceedings shall be carried out by the executive officer.*

## **Article 20. Grounds and procedure for termination of execution**

20.1. Execution of the execution document is terminated in the following cases:

20.1.1. when the court accepts the request from the claimant;

20.1.2. when the court approves a bargaining agreement between the claimant and the debtor;

20.1.3. if the claimant or the debtor is deemed dead, deceased or unrecognizable, if the claims or obligations set forth by the court or other body can not be passed on to the person of the person or to the person who manages his property in the manner prescribed by law;

20.1.4. the decision of the court or other body, which is the basis for the issuance of the performance document, or the document deemed to be the performance document according to the law;

20.1.4-1. when the debtor's debt to the state is extinguished on the basis of the law;

20.1.5. if the execution document is fully executed.

*20.2. Decision on dismissal of enforcement proceedings shall be made justified by the executive officer. This decision shall be verified and verified by the head of the executive body, and his copy shall be sent to the parties or other body (except for a notary), who has issued the execution document within three days.*

*20.3. Implementation of any enforcement proceedings on the execution of a ruler after the decision to terminate the proceedings is not permitted.*

*20.4. Upon receipt of the decision on termination of the execution of the executive officer, the court shall annul such decision within ten days if it determines that the decision is taken in violation of the requirements of this Law.*

*20.5. The parties and other authority issuing the executive document may file a complaint to the relevant court within ten days from the date on which they have been issued (taken by them).*

20.6. Implementation proceedings shall be continued when the court dismisses the decision of the executive officer on the dismissal. In this case, the execution period of the execution document shall be calculated from the moment when the decision to initiate the proceedings was made.

20.7. If the decision of the executive officer on termination of execution is not canceled or filed in accordance with Articles 20.4 and 20.5 of this Law, and when filing a complaint, after the court decision on non-satisfaction of this complaint, the enforcement act within 3 days, or to another body (except for a notary public).

20.8. Upon returning the execution document to the court or other authority issuing the executive document, he shall annul all enforcement measures taken by the officer.

### **Article 21. Consideration of the issue of suspension of proceedings**

21.1. In cases where the suspension of the proceedings referred to in Article 17 of this Law is compulsory, the enforcement officer shall be stopped by the executive officer.

21.2. In the event that the suspension of the proceedings referred to in Article 18 of this Law is possible, the court official shall be given a reasoned reason for the suspension of the proceedings and a statement approved by the head of the executive body.

21.3. The court examines the issue of termination of proceedings in accordance with Article 231 of the Civil Procedure Code of the Republic of Azerbaijan, and makes a decision on the provision or rejection of the executive officer.

21.4. Decisions on suspension of execution may be appealed in terms and procedure provided by the Civil Procedure Code of the Republic of Azerbaijan.

21.5. In case of suspension of execution by the executive officer, a decision shall be made and the decision shall be verified and verified by the head of the executive body. A copy of the decision shall be sent to the parties within three days, as well as to the court or other body (except for a notary) who issued the execution document.

21.6. The parties and other authority issuing the executive document may file a complaint to the relevant court from the decision of the executive officer on the suspension of the proceedings within 10 days from the day they were received (taken by them).

21.7. Except for the cases stipulated by the Law of the Republic of Azerbaijan "On Mortgage", the suspension of execution of the court decision on directing the mortgage subject shall be allowed only with the consent of the mortgagee.

21.8. Implementation of any performance action on suspended proceedings is not permitted.

### **Article 22. Outcomes of Termination**

~~Upon entering into legal force, the court's decision to discontinue proceedings shall terminate all administrative measures imposed by the officer. The executed document issued by the relevant decision and the executive officer shall be returned to the court or other authority.~~

### **Article 23. Return of Executive Document**

23.1. The performance document, in which the request is not executed or partially executed, shall be returned to the court or other body which has issued the execution document (the execution record of the notary) to the claimant in the following cases:

23.1.1. on the basis of the claimant's petition;

23.1.2. if it is impossible to obtain information on the address of the legal entity or the place of residence of the debtor, the location of the debtor's property, or the availability of money or other valuables in the bank or other credit institutions (debtor or its property if the property of the liquidated legal entity is insufficient to satisfy the claims of the claimant);

23.1.3. if the debtor does not have property or income to which the claim can be disposed, and that all measures taken by the officer for the search of his property and proceeds have failed;

23.1.4. refusal to keep the debtor's untapped property or to obtain certain items from the debtor while executing a demanding execution document;

23.1.5. if the person obstructs the performance of his performance (inaction) and performance document.

23.2. If the execution of the request is impossible due to the grounds provided for in Articles 23.1.2 - 23.1.5 of this Law, the executive officer shall draw up an appropriate act on that fact and shall be verified by the head of the executive body and the latter shall be notified.

*23.3. Return of the execution document shall be directed to the execution of the document in case of the demanding application after the elimination of the grounds provided for in Article 23.1 of this Law. Upon elimination of the grounds provided for in Article 23.1 of this Law, he may apply to the relevant executive body for execution of the demanding execution record. In these cases, the executive body must adopt the executive record and take the measures envisaged by this Law.*

23.4. Where the execution certificate is returned on the basis of the Article 23.1.1 of this Law, advance payment provided for in Article 80 of this Law shall be returned to the claimant.

23.5. Upon reimbursement of the execution document on the grounds specified in Articles 23.1.2-23.1.5 of this Law, the remainder of the advance payment shall be returned to the claimant after deducting the expenses incurred in carrying out the enforcement proceedings.

~~23.6. The executed performance document is returned to the court or to the other authority.~~

23.7. An executive officer shall decide whether the execution document is returned to the court or other body (the notary's performance note to the claimant), and the advance payment to the claimant, and the decision shall be verified and verified by the head of the executive body. The parties may file a complaint with the relevant court within 30 days after receiving such a copy.

## **A r t i c l e 2 4 . Submission of executive documents by relevance**

24.1. the performance document shall be deemed to have been duly given in the following circumstances:

24.1.1. when the performance document is sent to the workplace for disposal or periodic deduction of the debtor's salary (income);

24.1.2. when the execution document is sent from one executive body to another relevant authority.

24.2. if an executive document is sent to the workplace of the debtor, the executive officer should check its execution status.

24.3. *The request on delivery of execution documents by relevance is communicated by executive officer to the claimant.*

#### **Article 25 . Issuance of Duplicate of the Implementation Document**

25.1. When the original of the execution document is lost, the duplicate shall be issued by the relevant court and other body in accordance with the legislation of the Republic of Azerbaijan.

25.2. Duplicate of the execution document is the basis for the request.

#### **Article 26 . Control over execution of executive documents**

The timely and proper execution of the execution of documents is exercised by the head of the executive body and the court within its authority.

#### **Article 27 . Searching for the debtor, his property, or the child**

27.1. Where the location of the debtor is unknown at the time of execution of the execution documents, the executive officer makes a decision on the search of the debtor on his / her own initiative or on the petition of the claimant, and that decision is verified by the head of the executive body.

27.2. The executive officer also makes a decision on the search of the debtor's property or child.

27.3. The search shall be announced on the place of execution of the execution document or by the place of location of the debtor's last known place of residence (location) or of its property, as well as the place of residence of the claimant.

27.4. The search of the individual and the child by the debtor is carried out by the relevant executive authority.

27.5. Searching for the debtor's legal entity and property of legal entities and individuals who are debtor is carried out by executive officers.

27.6. The costs of the debtor, his property, and the search for a child are deducted from the debt. The decision is made by the court bailiff and this decision is verified and verified by the head of the body of judicial bailiffs.

27.7. Expenses for the Borrower and Child's Search According to the information of the relevant executive authority, expenditures for the search of the debtor's property are determined by calculations made by the relevant service of the relevant court-bailiffs.

27.8. The search of the debtor or its property during the proceedings on other execution documents by the court executor may be declared when the claimant takes the search expenses in accordance with Article 80 of this Law and waives the advance on these expenses.

In this case, the claimant has the right to request the debtor to pay for the search costs in court.

27.9. The party may file a complaint to the relevant court within 30 days after the decision of the executive officer on the rejection of the search of the debtor or his property and the search expenses.

## ***C H A P T E R I I***

### **THE PERSONS INVOLVED IN PROCEEDING**

#### **A r t i c l e 2 8 . Parties in proceeding**

28.1 Only an adult and full capable person may participate in the proceedings.

28.2. The parties to the proceedings are demanding and responsible.

28.3. A physical person or legal entity whose performance certificate is in compliance with its interests or interests shall be deemed to be demanded.

28.4. A physical or legal person is required to make certain actions (pursuant to the execution document, cash or other property specified in the execution document, perform other duties or comply with the prohibitions) or refrain from taking certain actions.

28.5. There may be several demanding or debtor participants in the proceedings. In the meantime, each of them may participate independently in the proceedings in respect of the other party or may entrust the attendance to one of the participants.

#### **A r t i c l e 2 9 . Rights and duties of parties in the proceedings**

29.1. The parties shall be obliged to familiarize themselves with the proceedings, to extract from them, to copy, to provide additional materials, to file petitions, to participate in the execution of the proceedings, and to provide oral and written explanations at the time, to present their arguments and opinions on all matters arising during the proceedings , have the right to challenge the motions, arguments, and other persons participating in the proceedings, to challenge the officer and to appeal his actions (inaction).

29.2. During the implementation of executive proceedings, the parties are obliged to fulfill the requirements of the legislation of the Azerbaijan Republic on execution.

#### **A r t i c l e 3 0 . Participation of persons without juvenile or incomplete functionality in the proceeding**

30.1. The rights of persons who are juvenile or inactive in the proceedings on execution documents are exercised by their legal representatives - parents, adoptive parents, trustees or guardians.

30.2. Persons under the age of 16 to 18 may be eligible to participate in the proceedings regardless of whether they are considered fully functional.

30.3. In cases envisaged by the legislation of the Republic of Azerbaijan, persons under the age of 16 to 18 shall exercise their rights and legally protected interests in proceedings in respect of civil, family, labor and administrative law relations as well as salaries (revenues) have the right to personally defend.

### **Article 31. Inherited succession or succession in law**

When discharging one of the parties during the proceedings (when the natural person dies, the legal entity is reorganized, the demand is discounted, the debt is transferred), the executive officer makes a decision and substitutes that party with his successor or successor in the manner prescribed by the legislation of the Republic of Azerbaijan. All acts performed before the heirs and legal successors are included in the proceedings are equally mandatory for the heir of the heir, as well as for the successor or heir of the law.

### **Article 32. Participation of the parties in the proceedings**

32.1. Individuals may participate in the proceedings personally or through their representatives. Personally participating in the proceedings does not deprive him of the right to have a representative in the case. When the debtor has the duty to execute it personally on the debtor, the debtor can not perform those duties through his representative.

32.2. Legal entities participate in the proceedings through the authorities or officials who are acting under the authority of the statute, charter or statute. Legal entities must have documents confirming their authority.

### **Article 33. Clearance of Representatives' Powers**

Powers of representatives shall be confirmed by a power of attorney issued in accordance with the legislation of the Republic of Azerbaijan.

### **Article 34. Powers of Representaitve**

34.1. The delegate participating in the proceedings shall have the right to take all actions related to the proceedings on behalf of the person represented.

34.2. In the power of attorney issued by a representative, the authority to exercise the following actions shall be specifically stated:

34.2.1. submit and recall the executive document;

34.2.2. to delegate authority to another person;

34.2.3. to file complaints on the actions (inaction) of the executive officer;

34.2.4. to get the property, including money, for the benefit of the claimant.

### **Article 35. Persons who can not be represented in the proceedings**

35.1. Persons under the age of 18 or persons with limited capability or inability may not be represented in the proceedings.

35.2. Judges, investigators, prosecutors, executive officers, and court apparatus may not be represented in the proceedings. This rule does not apply to the cases where the persons

mentioned in the proceedings as legitimate representatives, as well as the attorney of the relevant court or prosecutor's office.

### **Article 36. Legal Representatives**

36.1. The rights and legally protected interests of individuals who are unable to function or have limited capacity may be protected by their legal representatives in the proceedings - parents, adoptive parents, guardians, guardians and other persons prescribed by law. Indicators should submit documents confirming their authority.

36.2. The trustee appointed for the protection and management of the property of the missing person in an established order shall participate as a legitimate representative of the missing person in the proceedings.

36.3. In the case where the successor of a deceased declared dead or dead shall be present, he shall participate as a legitimate representative of the guardian inheritance, if the inheritance has not been accepted by anyone.

36.4. Legal representatives may delegate their participation in the proceedings to another person as their representative.

### **Article 37. Participation of Interpreters in Proceeding**

37.1. The parties may invite an interpreter to carry out the execution of the proceedings. Anyone who has reached the age of 18, fully capable, capable of language perfect, and who has the necessary knowledge to translate, may be an interpreter.

37.2. The translator needs a period of time to invite the person in need of his services. If the person fails to provide the interpreter's participation during the period determined by the executive officer, the translator shall be appointed by the decision of the executive officer.

37.3. The translator has the right to charge for his work during the proceedings. The fee paid to the translator is referred to costs associated with the execution of the performance of the action.

37.4. According knowingly wrong translation, the interpreter is responsible for the manner prescribed by the legislation of the Republic of Azerbaijan and is notified in advance by the executive officer.

### **Article 38. Attendance of case witnesses in proceeding**

38.1. Attendance of case witnesses are obligatory in executive actions like making inspection to the debtor's property, arrest, confiscation or transfer of its property, as well as involvement of witnesses in the execution of the debtor's or other persons' holdings of property or non-residential premises and facilities belonging to the debtor or other persons.

38.2. In other cases, the witnesses are invited by the executive officer upon the proposal of the interested party.

38.3. Anyone who has the full age of 18 without a relationship of kinship and affiliation with the participants of the proceedings, may be invited as witnesses. The number of witnesses can not be less than two.

### **Article 93. Rights and objectives of case witnesses**

39.1. The witness of the case must certify the fact of the performance of the actions taken, the content and results of these actions with his/her own signature in the relevant act of action. The case witness has the right to know what kind of executive acts he is invited to participate in, and what he/she is doing on the basis of the performance document, as well as to express his/her dissatisfaction with the enforcement proceedings. The comments of case witness are recorded by himself or executive officer in the relevant act of execution.

39.2. Prior to the start of the executive proceedings, executive official explains rights and obligations to case witness.

39.3. Witnesses of the case have the right to indemnify the costs derived by participation in the proceedings. These costs include costs associated with the performance of executive actions.

#### **Article 40 . Participation of experts in proceeding**

40.1. In order to clarify the issues requiring special knowledge during the execution of the executive, the executive officer invites an expert (*a few experts*) on his own initiative or on the basis of the parties' request, and an appropriate decision is taken by the executive officer.

40.2. The specialist is obliged to arrive on the call of the executive officer, answer the questions of the officer and the parties, give verbal and written advice and explanations, and if necessary, provide technical assistance to the executive officer. The specialist has the right to charge for his work during the proceedings. Payments to a specialist include expenses related to the performance of executive actions.

#### **Article 41. Mutual cooperation between executive officials and governmental agencies (bodies)**

41.1. *In case of disruptions to executive officials in carrying out executive actions or threatening their life and health, the relevant executive authority shall be obliged to assist the executive authorities in accordance with the law. Other state bodies (institutions) should support in carrying out executive actions in accordance with the statutes (charters).*

41.2. *Executive officers have the right to access information on the property of legal entities and individuals, including money and other material assets, through the information system of the relevant executive authority.*

#### **Article 42 . An objection to an executive officer, translator and specialist during the proceedings**

### **CHAPTER III**

#### **MANDATORY EXECUTIVE PROCEDURES AND THE BASIS OF THEIR APPLICATION**

#### **Article 43 . Mandatory executive measures**

43.1. Mandatory executive measures are as follows:

43.1.1. arrest of property on the debtor's property and direct the demand to the property by selling it;



- 43.1.2. redirecting the claim to the debtor's salary, pensions, scholarships and other income;
- 43.1.3. directing the claim to the cash and other property of the debtor in third parties;
- 43.1.4. transfer of certain items specified in the performance document from the debtor to the claimant;
- 43.1.5. other measures ensuring implementation of the execution document in accordance with this Law and other legislative acts of the Republic of Azerbaijan.

#### **Article 44 . Bases of application of mandatory executive measures**

44.1. The basis for the application of mandatory enforcement measures are as follows:

44.1.1. submission to the executive officer of the execution document drawn up in accordance with this Law;

44.1.2. adoption of a decision by the executive officer to initiate proceedings;

44.1.3. the period passed by the executive officer for voluntary execution.

44.2. Implementation of compulsory enforcement measures shall not be permitted if any of the grounds specified by Article 44.1 of this Law are not available.

44.3. When the borrower does not have enough money to meet the demands of the client, application of any of the enforcement measures envisaged in Articles 43.1.1-43.1.5 of this Law does not exclude the application of others.

### **CHAPTER IV**

#### **DIRECTING DEMAND TO DEBTOR'S PROPERTY**

#### **Article 45 . Procedure on directing demand to debtor's cash and other property**

45.1. The claim to the debtor's property is to imprison, seize and sell this property.

45.2. The demand for execution documents is primarily directed to the money and other assets of the debtor in manats and foreign currencies, including in banks and other credit institutions. Cash receipts are recognized in the borrower.

45.3. Borrowers are arrested on banks and other credit institutions when they have information on deposits and deposits, as well as cash and other assets.

45.4. Where the debtor's legal person does not have information on his / her accounts or savings in banks and other credit institutions, the executive officer requests such information from the tax authorities.

The tax authorities must submit the required information within 3 days to the executive officer.

45.5. In case the debtor does not have sufficient funds in AZN to meet the demands of the claimant, the demand is directed to the borrower's foreign currency funds.

45.6. If the debtor does not have enough cash to meet the demands of the claimant, the claim shall be directed to other property belonging to the debtor, except for the property which the claim can not be directed in accordance with the legislation of the Republic of Azerbaijan.

The debtor has the right to communicate the claim to the property officer in the first place. If such request of the debtor does not obstruct the execution of the execution document, the executive officer is obliged to provide it.

45.7. Demand may be required in the amount of money required for the performance of the execution document, taking into account the debtor's property, including cash or bank or other lending institutions, accounts and deposits, as well as cash and other capital assets, costs of execution and execution of execution actions and volume.

45.7-1. No later than one working day by the executive officer on the decision taken during the transfer of the claim to the debtor's property, including cash or bank accounts or other credit facilities, as well as money and other assets held by the custodian (property arrest, etc.) A corresponding note must be made on the portal "Electronic Government" through a mutual integrated electronic system.

45.8. In the event of the debtor's property in the common property, the claim shall be directed to its common share in accordance with the civil legislation of the Azerbaijan Republic.

#### **A r t i c l e 4 6 . Direct Debiting to Cash in Foreign Currency**

46.1. Cash in foreign currency received from the debtor shall be handed over to the bank or other credit organization entitled to sell foreign currency in the Republic of Azerbaijan within one day.

46.2. The executive officer arrests the debtor with money in foreign currency in accounts and deposits, as well as foreign currency deposited in banks or other credit institutions authorized to sell foreign currency in the Republic of Azerbaijan, and submits the sale of foreign currency to the same bank and the foreign currency in accordance with Article 45.7 of this Law. or to another credit institution.

46.3. Money in the foreign currency of the debtor In banks and other credit institutions that are not entitled to sell foreign currency in the Republic of Azerbaijan, the officer shall be obliged to transfer such funds to the bank or other credit institution, which has the same right to the money.

46.4. The bank or other credit organization fulfills the decision of the executive officer provided in Articles 46.2 and 46.3 of this Law within 7 days of its receipt.

46.5. Funds received from the sale of foreign currency shall be distributed in the manner provided by Article 56.2 of this Law. If it is a natural person seeking to collect the amount retained by the claimant, this amount will be transferred to the depositor's deposit account.

46.6. From the decisions of the executive officer provided for in Article 46 of this Law, the parties may file a complaint with the relevant court within 3 days after receipt of their copies.

#### **Article 47 . Transfer of demand to property of debtor in the hird perons**

47.1. Transfer of the claim to the property of the debtor in third parties, entering the premises of third parties, visiting and holding of the storage places shall be carried out on the basis of court decision.

47.2. Arrest of the debtor's property in third parties is made only on the basis of court order.

#### **Article 48 . Transfer of demand to mortgaged property**

48.1. If the debtor's other property is insufficient to meet the demand, the claim may be directed to the pledged property. In this case, the rights of the mortgagee provided for by the civil legislation of the Republic of Azerbaijan, as well as the rules defined in Chapter 5 of this Law shall be observed.

48.2. When the mortgaged property is in the mortgagee, he shall be obliged to provide other requirements which are higher than his claim, in the amount not exceeding the value of that property.

#### **Article 49 . Property that is not allowed to be directed**

49.1. When executing an executive document on natural persons, the requirement for equipment to engage in food products, pallets and kitchen utensils, other essential necessities, as well as specialized books and professional activities, which are essential for the debtor and his family members, are not subject to execution.

49.2. In the performance of execution documents on natural persons, the exact list shall not be allowed for the demand for the types of property defined by the relevant executive authority.

#### **Article 50 . Arrest of the debtor's property**

50.1. The decision to initiate proceedings shall be imposed on the debtor's property simultaneously at the latest within one month from the date of its submission to the debtor and at the same time as soon as the decision is made.

50.2. The arrest of the debtor's property consists of the seizure of property, the prohibition of the right to dispose of the property, and, where necessary, restriction of the right to use the property, its withdrawal or storage.

In the event of the debtor's property being imprisoned prior to the enforcement of the executive document or in the execution of the execution document, the arrest on the property in the case of the claim being transferred to the debtor's property is usually made by the court's decision based on the substantiated presentation of the executive officer. In the event of inaccurate reporting by the debtor of accurate information that suggests the destruction, damage, spoilage, concealment or alienation of property, the officer may also arrest the property without

the court's decision. The executive officer shall inform the court that has exercised control over the matter within 24 hours.

50.3. Failure to comply with the restrictions imposed on the debtor's right to dispose of the property or the right of the debtor to use the property of the debtor shall entail liability provided for by the legislation of the Azerbaijan Republic.

50.4. The debtor's property is imprisoned in the following cases:

50.4.1. to ensure the protection of the property to be offered or sold to the claimant;

50.4.2. in order to ensure the execution of the court decision on the confiscation of the debtor's property.

50.5. Less than five days after the arrest, but no later than one month, the property of the debtor is taken to be sold by the executive officer. The debtor can sell it until the property is taken, under the supervision of an executive officer.

50.6. Depending on the particular circumstances, the executive officer has the right to confiscate the debtor's property or its separate assets (with no limit of claims) at the same time as imprisonment on property.

Things that are quickly damaged are immediately taken and sold for sale.

50.7. In case of seized property, the funds (in manats and foreign currency), precious metals and precious stones, articles made of them, as well as their crumbs and wastes, shall be subject to mandatory collection and stored in accordance with the procedure established by the relevant executive authority.

Other items taken shall be packed, stamped and handed over to the representative of the relevant public authority with a warning of liability provided for by law. Immovable real estate and large-scale property that can not be seized are sealed and subjected to liability for the alienation, spoilage and destruction of such property by a borrower or a member of his / her full-age family, and shall be informed of the liability for storage.

A minutes shall be compiled by the executive officer on imprisoning property on the property, with the indication of the quantity, size, weight of the material, the preparation of the material and other specific features. The protocol details these details. The protocol shall be signed by the executive officer, witnesses of the case, the debtor or his / her full-time family member.

50.8. When it is reasonable to assume that the property was obscured by the debtor, the executive officer conducts searches (to open and check storage places) of the court decision. The Executive Secretary carries out the proceedings in accordance with the requirements of Articles 242-245 and 247 of The Criminal Procedure Code of the Republic of Azerbaijan, taking into account the nature of the proceedings.

50.9. Arrest of property on the property of the courts regarding the acquisition of the property, judgments and decisions of the criminal cases is carried out according to the procedure specified in Articles 248-254 of the Criminal Procedure Code of the Republic of Azerbaijan.

50.10. The order of storage of the securities taken in connection with execution of the executive document is determined by the relevant executive authority.

#### **Article 51. Evaluation of the debtor's property**

*51.1. Evaluation of debtor's property shall be carried out by an appraiser pursuant to the Law of the Republic of Azerbaijan "On Valuation Activity", except for the cases when the property of the debtor is under the law of the Republic of Azerbaijan "Mortgage", which is assessed by the parties' consent or court decision, as well as regulated prices. The Executive Officer should invite an evaluator who is specialized in the field of assessment and who does not have been convicted for crimes of grave or especially grave crimes, as well as crimes against corruption and crime or economic crimes, not less than 5 years.*

51.2. Costs associated with the use of the Validator's services are equally settled by the parties.

51.3. In the event of a demand for a mortgage on the basis of a notary's executive record, costs associated with the use of independent evaluator services shall be borne by the mortgagee.

#### **Article 52. Preserving the debtor's property**

52.1. The property of the debtor shall be transferred to him or other persons designated by the executive officer (hereinafter referred to as the holder). The receiver receives a receipt from the receiver to save the property. If the use of property does not result in its destruction or loss of value, the custodian may use that property.

52.2. If the custodian is not the debtor himself or his / her family member (where the debtor is a legal entity - his employee), he / she shall be given the appropriate fee for the maintenance of the property. In addition, the expenses incurred by the holders to retain property are paid to him by deducting the real benefits earned for the use of the property.

52.3. The rules and conditions for the storage of the property imposed on him shall be determined by the relevant executive authority.

52.4. When embezzlement, wasting, alienation or concealment of the property are given for storage, in addition to property liability for damages, the holder shall be liable for criminal liability in accordance with the legislation of the Republic of Azerbaijan.

#### **Article 53. Sale of Arrested Property**

53.1. The property imprisoned on it is offered to the claimant, irrespective of the reasons for the arrest, the type of property and the affiliation, except for the property which has been withdrawn from the circulation or the circulation is restricted, unless otherwise provided for by

the legislation of the Azerbaijan Republic. When the claimant declines, the property must be sold within three months of the date of the waiver.

53.2. Debtor's property is sold by a specialized enterprise created under commodity exchanges in accordance with the legislation of the Azerbaijan Republic and having the right to carry out such transactions by auction. Costs of not more than 5,000 manats can be sold on the basis of the relevant agreement on the trade networks defined by the execution service. *According to 90<sup>th</sup> article of The Tax Code of Azerbaijan Republic, the rules for organizing the sale of the taxpayer's registered property in trade networks (including electronic sales networks) are determined by the relevant executive authority.*

53.3. If the property is not sold, the property is offered to the customer again. When refusing the demanding property, the property is repaid to the debtor, and the execution document is returned to the court or other body that has issued the executive document (the execution record of the notary to the claimant).

#### **A r t i c l e 5 4 . Features of proceeding on several executive document**

54.1. When there are several executive records in the executive authority, they are combined in the overall proceedings. In this case, the amount of the total claimed expenses for the execution of the debtor's property, execution and execution of the debtor is imprisoned, irrespective of the imposition of the other claim (claims).

54.2. The application of Article 75 of this Law determines the unified sequence of requirements for the demands of each claimant for the time of execution of the execution document.

54.3. If the same debtor has several executive acts in a separate executive body, the execution of the provisions of Article 54 of this Law shall be provided by the executive of the executive.

54.4. In order to ensure the fulfillment of the provisions of Article 54 of the present Law, an executive information bank shall be established by the executive authority on execution proceedings on execution documents in a separate executive body.

#### **A r t i c l e 5 5 . Submission of the items specified in the execution document to the claimant**

If the transfer of the items to the claimant is directly indicated in the execution document, the officer shall take the items from the debtor to the claimant and draw up an act on that. When the claimant submits the items, the items are returned to the debtor and the execution certificate to the relevant court or to the other authority (*executive record of the notary to the claimant*).

### **C H A P T E R V**

## **FEATURES OF TRANSFER OF DEMAND TO THE PROPERTY OF DEBTOR LEGAL ENTITY**

### **Article 56 . Transfer of the demand to the cashes of debtor legal entity**

56.1. Receivable cash (in manat and foreign currencies) is recognized in the cashier's office or other room of the debtor.

56.2. Funds received are transferred to the bank on the same day for transferring the amount of the debt to the account of the claimant, the amount of the execution payment to the state budget and the special executive office of executive officers. Funds for reimbursement of expenses related to the implementation of executive actions are transferred to the deposit account of the executive body.

56.3. An executive officer takes measures provided for in Article 45 of this Law for the arrest of a debtor's legal entity in banks or other credit institutions, as well as on arrests on deposits and deposits.

### **Article 57 . Transfer of the demand to other property of the legal entity debtor**

57.1. If the debtor's legal entity's money is insufficient for repayment of debt, the claim shall be directed to other property owned by him / her (excluding property withdrawn from turnover or property with limited turnover). The imprisonment or other performance related to such property shall be exercised in the manner provided by this Law.

57.2. The presence of a property owned by a legal entity debtor under another title or any other person does not prevent the transfer of the claim to that property.

57.3. Peculiarities of filing claims on a mortgage subject are defined *by The Law of the Republic of Azerbaijan "About Mortgage"*.

### **Article 58 . Arrest of the debtor on the property of a legal entity and the order of its sale.**

58.1. The seizure of the debtor's property and sale of the property of a legal entity shall be effected on the following lines:

58.1.1. first of all - property not directly used in production (securities, debit and other accounts, currency reserves, tiny vehicles, office design items and other property);

58.1.2. secondly - other material goods not intended for immediate use in production, and not intended for direct use in production;

58.1.3. in the third place - raw materials and materials, machine tools, equipments and other fixed assets intended for use in real estate objects, as well as for direct use in production;

58.1.4. in the fourth turn - property given to other persons.

### **Article 59. Measures to Provide Execution of Execution Documents When Transferring Debt to Legal Entity's Property**

59.1. When the debtor is arrested by the executive officer on the third-party property, as defined in Article 58 of this Law, he shall notify the relevant executive power body within at least three days after the arrest. The notification shall include information on the composition and value of the property seized and the amount claimed by the claimant.

A copy of the notice shall be sent to the state budget and extra-budgetary state funds to the relevant tax authority, which controls the payment of the contributions by the legal entity debtor.

59.2. Based on the proposal of the relevant executive authority, the executive officer publishes information on the transfer of the demand to the property of the debtor in the official media at the expense of funds allocated for the financing of the executive.

59.3. When the administrative and economic court starts proceedings against the debtor's legal entity, the sale of the property and the sale of the property to which the claim is directed shall be suspended until the case is considered by the same court.

### **Article 60. Procedure for directing demand when reorganized and liquidated legal entity**

60.1. In case of reorganization of the debtor legal entity, the demand for execution documents is directed to the money and other property of the legal entity responsible for obligations of the debtor in accordance with the legislation of the Azerbaijan Republic.

60.2. In case of liquidation of the debtor's legal entity, the execution officer shall be submitted to the liquidation commission (the liquidator, the classifier) for the execution of the execution documents, and the officer shall be notified by the officer.

### **Article 61. Preparation and holding of auctions**

61.1. Auctions on the sale of the debtor's property are organized and carried out by the specialized enterprises specified in Article 53.2 of this Law on the basis of the relevant agreement.

61.2. The specialized enterprises conduct the auction on the order of the executive officer. This order indicates the initial price of the auctioned property.

61.3. The following are added to the order:

61.3.1. Copy of executive document;

61.3.2. copy of the act drawn up by the executive officer on arrest on property;

61.3.3. when the real estate is sold, the documents on that property;



61.3.4. as well as the copy of the document confirming the right to use the land plot or the right of ownership on the land plot, when the property is sold.

61.4. If a long-term lease is auctioned, the documents specified in Article 61.3.1 - 61.3.4 of this Law shall be additionally added by the executive officer:

61.4.1. copy of the lease agreement;

61.4.2. a copy of the document confirming the registration of the lease agreement;

61.4.3. a copy of the document confirming the consent of the lessor to the long-term lease, or a copy of the document confirming the lease transfer of the long-term lease to the lessee, if the tenant leases the lease right as a auction.

61.5. Upon the sale of the right to an object which has not been completed, the documents specified in Article 61.3.1 - 61.3.4 of this Law shall be attached by the executive officer to the following:

*61.5.1. a copy of the document certifying the right of ownership, lease or use of the land plot;*

*61.5.2. copy of construction permits.*

61.6. Documents attached to the order of the taxpayer during the sale of the taxpayer's registered property in specialized open auctions in accordance with the legislation shall be determined by The Tax Code of the Republic of Azerbaijan.

## **Article 62 . Terms and conditions of the auction**

62.1. An auction is to be held by specialized enterprises at least two months after the date of receipt of the relevant order from the executive officer.

62.2. The procedure for the auction is defined by the legislation of the Azerbaijan Republic.

## **CHAPTER VI**

### **DIRECTING THE DEMAND TO DEBTOR'S WAGES AND OTHER INCOMES**

#### **Article 63 . Directing the demand to debtor's wages and other incomes**

63.1. The claim to the debtor's salary and other incomes is permitted in the following cases:

63.1.1. From time to time executing execution documents on holding deductions;

63.1.2. the sum of the amount subject to deductions in the execution document is not more than the amount specified in Article 65 of this Law;

63.1.3. if the debtor does not have property to fully pay the claim, or if his property is insufficient.

#### **Article 64. Calculation of the amount borrowed from the debtor's salary and other income**

The amount of the sums collected from the debtor's salary and other income shall be calculated from the remaining amount after deduction of taxes.

#### **Article 65. Amount of money deducted from debtor's wage and other incomes**

65.1. The amount of deductions from the debtor's salary and any other income that is equivalent to it may not exceed 50 percent during the performance of the execution document.

65.2. 50% of the profits should remain in debts when demand is directed to the debtor's salary and other income that is equal to the number of performance documents.

65.3. Restrictions specified in Articles 65.1 and 65.2 of this Law shall not apply to the payment of damages caused to the victims as a result of alimony, compensation for damage caused by the loss of family, loss of family frauds.

In such cases, the amount of deductions can not exceed 70% of the salary and other income.

Where the claim is directed to the author's awards for use of the debtor's pension, pension, author's and related rights, the rules laid down in Article 65 of this Law shall apply.

#### **Article 66. Guarantee of the claimant's involvement in the profits of a juvenile or medical officer**

66.1. The request shall be directed in the manner established by Articles 64 and 65 of this Law, after the deduction of the amounts recovered in accordance with the income of the convicted persons, the court's conviction or judgment.

66.2. Prisoners in penitentiary institutions are required to pay the penalty in accordance with Articles 64 and 65 of this Law.

#### **Article 67. Redirecting claim for social insurance, as well as unemployment benefits and unemployment insurance**

Compensation for damages inflicted on social insurance, as well as unemployment benefits and unemployment insurance only with the court's decision, the court order on the maintenance of the alimony, or the notarized agreements on payment of alimony or the payment of damages to the health and victims of the loss of the family according to the court decision.

#### **Article 68. Amount of money that is not allowed to direct the demand**

68.1. The claim may not be directed to the following amounts of money paid to the debtor:

68.1.1. sums paid for damages to victims as a result of loss of health, as well as loss of family fraud;

68.1.2. to persons who have suffered damage while performing their official duties, and to the amount paid to their family members when these persons are killed (dead);

68.1.3. on the birth of the child; Multiple mothers; a single father or mother; for pensioners, first-class disabled people and children with disabilities; amounts paid to victims for additional

food, prosthetics, sanatorium-and-spa treatment as well as those for the employment of those affected by health-related damages;

68.1.4. amounts paid to work under severe and harmful labor conditions;

68.1.5. the amount of disbursement allowance;

68.1.6. amounts paid on alimony obligations;

68.1.6-1. To the former President of the Republic of Azerbaijan and his family members, pensions, allowances and other payments to be paid in accordance with the Constitutional Law of the Republic of Azerbaijan "On the Guarantee of the Former President of the Republic of Azerbaijan and his Family Members" (payable to the Azerbaijan State and repayment of expired debts, With the exception of cases when a court decision on the payment of money amounts is regularly made for the maintenance of the former spouse of the President or the minor child;

68.1.7. To other amounts established by the legislation of the Azerbaijan Republic.

#### **Article 69 . Procedure for paying debts on alimony and alimony obligations**

The procedure for repayment of debts on alimony deduction and alimony obligations is determined by the Family Code of the Republic of Azerbaijan.

## **CHAPTER VII**

### **EXECUTION OF EXECUTIVE DOCUMENTS ON OTHER MEMBERS**

#### **Article 70 . General Conditions for Execution of Execution Documents That Make the Borrower Forbidden to Perform Certain Actions or Do Certain Acts**

70.1. Upon the execution of the enforcement act, which forces the debtor to make certain actions or refrain from making certain actions, the executive officer shall set a time limit for the voluntary performance of the actions specified in the execution document in accordance with Article 8 of this Law.

70.2. The performance certificate for the restoration is immediately executed. An enforcement act is considered to have been executed from the time the employee commences to execute his previous duties after the relevant order of the directorate on cancellation of the order of dismissal or transfer to another work.

70.3. If the requirements stipulated by Articles 70.1 and 70.2 of this Law are not met by the debtor for improper reasons, the executive officer shall take actions as set out in Article 82 of this Law and appoint a new period for execution of the execution document.

70.4. In case of impossibility of implementation of the execution document, the executive officer makes a decision on returning the execution document to the court or the other body that has issued the executive document (the execution record of the notary). This decision of the executive officer is checked by the head of the executive body.

The parties may file a complaint with the relevant court within 30 days after receiving such a copy.

#### **Article 71. Consequences of failure to execute the performance document on recovery**

If the executive officer fails to execute the employment certificate in the event of a debtor's failure to perform the action provided by this Law, the decision on reimbursement of the average wage or salary difference to the employee for the whole period from the date of the enforcement decision appeal to the court with a request for extradition. The petition is approved by the head of the executive body.

#### **Article 72. Execution of execution document on withdrawal of debtor from residential or non-residential area**

72.1. The court hearing the case may determine the period in accordance with Article 2206 of the Civil Procedure Code of the Republic of Azerbaijan for the discharge of the living or non-residential area depending on the circumstances of the case.

72.2. Upon expiration of the period specified in Article 72.1 of this Law, the debtor shall be subject to obligatory removal from the living or non-living area by the debtor's executive officer on the basis of the exemption from his / her residence or non-living area, unless the debtor has discharged the living or non-living space.

72.3. The executive officer shall officially notify the borrower of the date and time of withdrawal. The notification is deemed to have been officially submitted when submitted in accordance with the procedure laid down in Articles 135.2 and 135.3 of the Civil Procedure Code of the Republic of Azerbaijan. Lack of a debtor who has received the relevant notice does not prevent the removal from being implemented.

72.4. The Executive Officer shall ensure the removal of the debtor (s), its property, and pets from the area specified in the performance document. In addition, the borrower is prohibited from using that site.

72.5. The exclusion is carried out by the executive officer in the presence of the witnesses of the case and by the fact that the property is categorized. The officer shall have the right to invite the relevant executive power and local self-government officials, if necessary, at the time of withdrawal.

72.6. In case of necessity the executive officer secures the debtor's property and imposes expenses on the debtor. The debtor's property is protected for a period of not more than three years. After the expiry of that period, the property sold shall be sold in the manner prescribed for the sale of non-ownership property.

The proceeds from the sale of debtor's property are transferred to the state budget.

72.7. A relevant act shall be drawn up by the executive officer on the removal of the debtor from the residential or non-residential area..

**Article 73. Implementation of the execution document on the relocation of the claimant to the residential or non-residential area**

73.1. If the execution document on the transfer of the applicant's residence or non-residential area is not executed by the debtor during the period determined by the executive officer, the transfer is carried out by the executive officer. The executive officer shall ensure that the applicant has access to and living in the living or non-residential area specified in the execution document.

73.2. In case of obstruction of execution of the execution document on the transfer of the debtor, the enforcement proceedings shall be carried out with the participation of witnesses, and the officer *shall have the right to invite* the relevant executive and local self-governing bodies. In the event of a subsequent barrier by the debtor to the life of the trainee, the executive officer shall take the measures specified in Article 82 of this Law.

73.3. An appropriate act shall be drawn up by the executive officer on the transfer of the claimant.

73.4. An enforcement document shall be deemed to have been executed if the opportunity arises from unimpeded access to the living or non-residential premises of the trainee.

73.5. Once an act of relocating the trainee has been compiled, the execution of a performance document should be renewed when the debtor has re-interrupted the survival.

73.6. An action can not be renewed unless a person obstructing the student's life does not have a debtor in the performance document. In this case, the matter of resettlement shall be settled by the court.

**CHAPTER VIII**

**DISTRIBUTION OF MONEY DEDUCTED FROM DEBTOR AMONG CLAIMANTS**

**Article 74. Distribution of the amount of money borrowed from the debtor**

74.1. Prior to the amount of money earned by the debtor from the debtor, including the amount of money earned from the sale of the debtor's property, the expenses related to the performance of the execution of the execution of the actions, the penalties imposed on the debtor in the execution of the execution document. The amount of remaining money is used to meet the demands of the claimant (s).

74.2. Unless otherwise stipulated in the legislation after all claims are satisfied, the remaining amount shall be returned to the debtor.

74.3. In the event that the mortgage object is made on the basis of a court order or a notary's executive record, the proceeds from the sale of the mortgage item are distributed in accordance with the Law of the Republic of Azerbaijan "About Mortgage".

**Article 75. Priority of provision of claimants' requirements**

75.1. If the sum of the money withdrawn from the debtor is insufficient to meet all the requirements of the execution documents, this amount shall be distributed between the candidates in the order of priority established by Articles 75.2-75.6 of this Law.

75.2. First of all, claims for compensation of damages to victims, as a result of alimony, damage to health, as well as loss of family frauds, are met.

75.3. Secondly, the requirements arising from labor relations, claims for legal services provided by advocates, and the author's remuneration for the use of copyright and related rights are met.

75.4. In the third place, requirements for social insurance and social protection funds are met.

75.5. Fourth, requirements for extra-budgetary state funds are not provided for in the state budget and in the third turn.

75.6. All other claims are provided in the fifth turn. At this time, the sequence of accession documents is taken as the basis.

75.7. Every subsequent queue requirement will be satisfied after full repayment of prior claims.

75.8. If the amount of money withdrawn from the debtor is insufficient to satisfy all the claims of a single one, these requirements shall be proportionately proportional to the amount to be paid to each claimant.

## *C H A P T E R I X*

### **PERFORMANCE OF EXECUTIVE ACTIONS ABOUT FOREIGNERS, FOREIGN LEGAL ENTITIES AND PEOPLE WHO HAVE NO CITIZENSHIP**

#### **Article 76. Implementation of judgments and other bodies' decisions on foreigners, persons who have no citizenship and foreign legal entities**

Decisions of the courts and other bodies on foreigners, stateless persons and foreign legal entities are executed in the manner prescribed by this Law.

#### **Article 77. Execution of decisions of foreign courts and arbitrages**

77.1. Execution of decisions of foreign courts and arbitration in The Republic of Azerbaijan shall be implemented in accordance with international treaties to which the Azerbaijan Republic is a party, The Civil Procedure Code of Azerbaijan Republic and this Law.

77.2. Based on the decisions of courts and arbitration of foreign states, the execution document shall be issued after recognition of the same decision as provided for by the Civil Procedure Code of the Republic of Azerbaijan.

## *C H A P T E R X*

### **PERFORMANCE PAYMENT. COSTS ON IMPLEMENTATION OF EXECUTIVE PROCEDURES**

#### **A r t i c l e 7 8 . Performance payment**

78.1. If the execution certificate is not executed by the debtor for an unreasonable time at a designated time for voluntary performance, the executive officer shall decide on the payment of an order of 7 per cent of the amount of money to be seized from the debtor. If execution document for non-property character is not executed, the company receives a payment of 11 manat from physical person and 55 manats from legal entity.

78.2. the execution fee is charged when execution document is directed to the execution for the first time. Execution fee is not charged when executive document is redirected to the execution.

78.3. 25% of the amount of the executive payment is transferred to the state budget, and the remaining part is transferred to the special fund of enforcement officers.

78.4. In case of cancellation of the court or other body's decision, which is the basis for the execution of the execution document, as well as the document considered as the executive document, the execution fee is returned back to the debtor.

~~78.5. The decision to receive the execution payment is made simultaneously with the decision to initiate the proceedings. An appropriate note on the receipt of a payment can also be included in the decision to initiate proceedings under the enforcement proceedings.~~

#### **A r t i c l e 7 9 . Implementation costs of implementing actions**

79.1. Funds spent for the organization and conduct of executive actions are considered to be costs associated with the implementation of executive actions. These expenditures shall be borne by the Executive Authority's own funds, as well as the funds of the parties involved and other persons.

79.2. Expenses related to implementation of executive actions:

79.2.1. transportation, storage and sale of debtor's property;

79.2.2. payment of the appropriate fee to translators, witnesses, specialists and other persons invited during execution of the enforcement proceedings in accordance with this Law;

79.2.3. the transfer of the deposited amount to the requestor's mail;

79.2.4. the search of the debtor, his property or the child taken from the debtor in court;

79.2.5. the funds spent on other mandatory actions carried out during the proceedings.

**Article 80. Pre-payment by expenditure-related expenses for the performance of executive actions**

80.1. In order to ensure the implementation of the executive proceedings, it may transfer advance payments to the deposit account of the executive body.

80.2. In the cases provided for in Article 27.8 of this Law, the claimant is obliged to fully cover the relevant costs of the debtor or his property.

80.3. Upon completion of the execution proceedings, the advance is returned to the claimant as a whole. When returning the performance document in accordance with Articles 23.1.2-23.1.5 of this Law, the excess part of the proceeds of the advance shall be reimbursed to the claimant.

**Article 81. Procedure for reimbursement of expenses related to implementation of executive actions**

81.1. Expenses related to implementation of executive actions are deducted from the debtor. The deducted amount is transferred to the executive office of the executive.

81.2. Execution of execution proceedings shall be covered by the state budget in the event of termination of the decision, which is the basis for the issuance of the execution document, as well as cancellation of the document referred to as the performance document under the law.

81.3. In the cases provided for in Article 80.3 of this Law, costs associated with the execution of execution actions shall be deducted from the claimant.

81.4. Execution of expenses related to execution of actions, as well as payment of these expenses at the expense of the state budget in the cases defined by this Law shall be carried out on the basis of the decision of the executive officer. This decision shall be checked and verified by the head of the executive body and sent to the parties within 3 days.

81.5. The parties may file a complaint with the relevant court within 30 days after receipt of the copy of the decision referred to in Article 81.4 of this Law.

81.5. In the event of refusal of the debtor to refuse to pay for the declared search pursuant to Article 27.8 of this Law, the issue of reimbursement of costs incurred by the claimant shall be considered by the court. In this case, the exempted person will not be required to pay the state duty.

**CHAPTER XI**

**RESPONSIBILITY FOR VIOLATION OF LEGISLATION OF AZERBAIJAN  
REPUBLIC ABOUT EXECUTION OF THE DECISIONS OF COURT AND OTHER  
BODIES**



**Article 82. Responsibility for failure to execute the execution document, which forces the borrower to refrain from doing certain actions or taking certain actions**

82.1. If the executive officer fails to execute certain actions or refuse to perform certain actions, the executive officer shall draw up a protocol on administrative violation for the administrative liability of the debtor in accordance with the legislation of the Republic of Azerbaijan (*with exception of execution documents issued in respect of court decisions that resulted in the collection of taxes, interest and financial sanctions (non-payment of taxes)*) to the relevant court. After a decision on administrative responsibility is imposed, a new period is set for the execution by the executive officer.

~~82.2. The parties may file a complaint with the relevant court within 10 days after receiving the copy of that decision.~~

82.3. In case of improper execution of the execution document, the executive officer shall notify the body conducting the preliminary investigation of the relevant criminal offenses (taking into account the requirements of Article 84-2.4 of this Law) on the criminal liability of the person liable to execute the court decision in accordance with the legislation of the Republic of Azerbaijan, a statement approved by the Chief Executive Officer (Chief Executive Officer).

**Article 83. Responsibility for not executing the execution document by the bank or other credit institution**

If the bank or other credit organization serving the debtor's account (s) does not fulfill the requirements of the execution of the executed execution document from the debtor, despite the fact that there is money in his / her account (accounts), the relevant court according to the administrative offense protocol, or other credit organization in the manner prescribed by the legislation of the Republic of Azerbaijan.

**Article 84. Responsibility for non-compliance with the legal requirements of the Executive Officer, violation of the legislation on the execution of court and other bodies' decisions**

84.1. For failing to comply with the legal requirements of the Executive Officer, for the loss or delayed delivery of the execution document, as well as the submission of inaccurate information on the debtor's place of work or place of residence, its incomes and property status, the executive officer is liable for administrative liability of guilty persons in accordance with legislation as an administrative offense and sends it with the other materials of the case to the relevant court (*except for the cases that interfere with the execution of court decisions which have been enacted in connection with the collection of taxes, interest and financial sanctions (non-payment of taxes)*).

At the same time, a notice may be sent to the higher or relevant organizations about the actions to eliminate the conditions that led to the unlawful actions of the executive officer or the

executive officer who failed to fulfill the legal requirements of the executive officer. The results of consideration of the case on elimination of the circumstances causing the illegal actions of the official shall be provided within 1 month.

84.2. A compulsory bringing measure shall be imposed on the decision of the court on the persons who are expelled from the office of the chief of staff or who abstain from coming to the place of execution of the enforcement proceedings.

84.3. In cases provided for in Articles 84.2 of this Law, the executive officer shall make a relevant decision. This decision shall be verified by the head of the executive body.

The parties may file a complaint with the relevant court within 10 days after receiving the copy of that decision.

84.4. Preliminary investigation on criminal offenses by an official of the prosecutor on bringing guilty persons to a criminal offense in a manner prescribed by the legislation of the Azerbaijan Republic violating the legislation on deliberately disobeying or executing the execution of the lawful officer of the executive officer or otherwise violating the legislation of the court and other bodies (*taking into account the requirements of Article 84-2.4 of this Law*) which is approved by the Chief Executive Officer (Chief Executive Officer).

#### ***Article 84-1. Temporary restriction of the right of the debtor to leave the country***

*84-1.1. If the debtor fails to execute the execution documents issued by the court judgments, orders and tax authorities on the basis of administrative acts in the time determined for voluntary execution, the right of the debtor to leave the country may be temporarily restricted by the court decision on the basis of the substantiated presentation of the officer. Upon the temporary restriction of the right of the debtor to leave the country, the officer shall immediately inform the debtor, the claimant and the relevant executive authority.*

*84-1.2. Upon elimination of the grounds for the temporary restriction of the right of the debtor to leave the country, the executive officer decides on the withdrawal of the restriction by the head of the executive body. This decision shall be immediately sent to the debtor, the claimant, the court and the relevant executive authority.*

#### ***Article 84-2. Responsibility for breach of the legislation on enforcement of court decisions that relates to the receipt of debts on taxes, interest and financial sanctions (non-payment of taxes)***

*84-2.1. Persons who do not perform legally binding judicial decisions on taxation, interest and financial sanctions (non-payment of taxes) in the period determined by this Law or prevent the execution of those court decisions are brought to criminal liability in accordance with the Criminal Code of the Republic of Azerbaijan .*

*84-2.2. A copy of the decision on the commencement of enforcement proceedings with respect to the judicial decisions of taxpayers on taxes, interest and financial sanctions (non-payment of taxes) shall be returned to the court upon receipt of the copy of the decision on the*

*day of its receipt, and submit the information on their documents to the relevant tax authority in electronic form within one day of their receipt or refund.*

*84-2.3. Executive officers are obliged to present all the information and documents they have on the facts mentioned in Articles 84-2.1 of this Law on the basis of requests of the tax authorities within fifteen days. If further investigation is required, this period may be extended by fifteen days.*

*84-2.4. For pretrial investigation, in accordance with Article 82.3 and Article 84.4 of this Law (in connection with obstruction of enforcement of lawful judgments) in respect of court decisions that have entered into force on taxation, interest and financial sanctions (non-payment of taxes) tax authorities are not required to submit a statement approved by the chief executive officer (chief executive officer).*

*84-2.5. The fact of non-execution of legally enforceable court decisions on taxation, interest and financial sanctions (non-payment of taxes) in the period determined by this Law is determined by the body conducting the preliminary investigation on the relevant crimes.*

#### **Article 85. Decisions of executive officer**

85.1. When dealing with the interests of parties and other parties involved in the implementation of executive proceedings (initiation, execution of fines, penalties, etc.), the executive officer makes a relevant decision.

85.2. The decision shall contain the following:

85.2.1. the date and place of the decision;

85.2.2. position, surname, name and patronymic of the executive officer;

85.2.3. the adjudication of the decision;

85.2.4. the issue considered;

85.2.5. the laws and other normative legal acts, which have served as basis for the decision and referred to the executive officer;

85.2.6. the result produced on the considered issue;

85.2.7. procedure and duration of appeal against the decision.

#### **Article 86. Encouragement of executive officer**

86.1. Executive officer, exemplary execution of his or her duties, may be rewarded with no more than five times the wages established by the relevant executive authority.

86.2. Reward execution service is paid from a special fund of executive officers.

## **CHAPTER XII**

## **PROTECTION OF CLAIMANT, DEBTOR AND OTHER PERSONS DURING PROCEEDING ON EXECUTIVE DOCUMENTS**

### **Article 87. Complaint of actions (inaction) of the executive officer**

87.1. An action may be appealed to the administrative-economic court on the location of the officer or the officer of the debtor who is in charge of the actions or inaction of the executive officer. If no other term has been specified in other articles of this Law, the complaint from the officer shall be lodged within ten days after the action is taken.

~~87.2. Concerning execution of other executive documents which are not envisaged by Article 87.1 of this Law, a complaint from the actions of an executive officer or refusal to comply with such actions, including failure to comply with the enforcement officer, shall be submitted to the court of the place of execution of the executive officer within 10 days from the date of the relevant action (or refusal to perform that action).~~

87.3. For the persons who have not been informed about the time and place of execution of the action (or refusal to perform the action), the period of time provided for in Article 87.1 of this Law shall begin from the date of receipt by them of the relevant action.

87.4. Damages inflicted to physical and legal persons by the civil servant shall be compensated in accordance with the legislation of the Azerbaijan Republic.

### **Article 88. Protection of the rights of the claimant in connection with non-execution by the legal entity of the demand for the execution of the application**

The amount claimed by the claimant can be claimed against the relevant legal entity if that amount was not deducted from the fault of a legal entity.

In this case, the exempted person will not be required to pay the state duty.

### **Article 89. Protection of the rights of other persons during the implementation of executive proceedings**

When disputes arise regarding the property (property) belonging to the debtor and other persons, the interested individuals and legal entities have the right to appeal to the court with a claim for the release of the property or its removal from the list.

### **Article 90. Protection of the rights of legal entities in connection with non-execution of the execution document on restoration**

In case of failure to execute an executive act on restitution of the employee who has been dismissed from the illegal work or restituted to another work, the damage inflicted on the legal person due to payment of the average wage or salary difference in accordance with the legislation of the Republic of Azerbaijan shall be deducted from the head of the accused who has

not executed the execution document of that legal entity or other worker in accordance with the legislation of the Azerbaijan Republic.

**A r t i c l e 9 1 . Entry into force of the law**

This Law shall enter into force on the day of its publication.

**The President of Azerbaijan Republic,  
HEYDAR ALIYEV**

Baku city, December 27, 2001

No. 243-IIQ