

## FUNDAMENTALS OF LEGISLATION REGARDING EXCHANGE ACTIVITIES IN UZBEKISTAN

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**Abstract:** in this scientific article, it is known that in the development of all areas, it is important to have a strong legal basis and create opportunities for sufficient activity. Based on this, it was considered that sufficient legal bases for the activity of stock exchanges in the Republic of Uzbekistan have been strengthened.

**Key words:** civil code, active entrepreneurship, repo agreement, valuable securities. In particular, the Constitution of the Republic of Uzbekistan was considered the most important document.

Property issues, economic rights and related norms are sufficiently justified in it.

Thus, the Civil Code (1996), "On Protection of Joint-Stock Companies and Shareholders' Rights" (1996), "On Valuation Activities" (1999), "On Pledge" (1998), Laws "On Stock Exchanges and Exchange Activities" (2014), "On Stock Market" (2015) On the Action Strategy (2017) No. PF-4947, "Active entrepreneurship, innovative ideas and technologies" Decree No. PF-5308 (2018) on the implementation of the State Program in the "year of support", in the Decree of the President of the Republic of Uzbekistan on the development strategy of Uzbekistan until 2030,

Regulations "On the implementation of securities and repo transactions" (2004), "On the procedure for the establishment and execution of state securities and repo transactions of the Republic of Uzbekistan" (2008) and other legal documents on the subject were considered to contain the most important legal norms related to stock exchanges and their activity.

In addition, a number of scientific studies have been carried out in our country on the study of transactions, contracts, securities and regulated relations from theoretical and practical aspects, in which the legal issues of the field have been thoroughly discussed.

At the same time, issues such as the strengthening of scientific foundations and legal convenience have been in the attention of legal scholars. In particular, the study of the repo agreement in the field of stock exchanges is one of them. Exchange transactions, in particular, repo transactions and related issues were studied by scientists from the CIS countries.

In addition to these, the economic-theoretical foundations of securities and the operations carried out through them are reflected in the scientific researches of K.N. Korienko, V.A. Galanov, I.L. Butikov, S.A. Arifzhanova.

In this case, the basic task of the transaction for Central banks is to manage the liquidity of the banking system, and for financial institutions, it is to manage the level of liquidity of their assets.

From this point of view, the views of a number of scientists on this agreement were considered.

Although the essence of the transaction is correctly interpreted in the definitions given by scholars, its nature is not fully disclosed. From the definitions, it can be concluded that the sole purpose of concluding a repo transaction is to make a profit at the expense of prices between the sale and purchase of securities.

Today, the introduction of new legal and financial instruments that serve the development of the economy is one of the priority tasks.

In particular, the transfer of property rights to securities to the buyer, the ability to prevent and manage risks and risks arising during the execution of the terms of the transaction, and the credit history of the parties is not required when the transaction is concluded.

As a result of concluding a repo agreement, the parties perform the following tasks.

Two parties - the seller and the buyer (contractors) take part in the conclusion of the transaction. The status of these entities changes in accordance with each other at each stage of the transaction. In addition, several parties serving these two parties participate

in the conclusion of the transaction, and they perform an auxiliary function in the conclusion of the transaction.

They provide their services for a certain fee when a deal is concluded. The intended purpose of the agreement does not apply to them. The central banks of the countries also participate in the conclusion of the agreement. Profit is not considered important for them. With the help of the transaction, they try to manage the liquidity of the banks and inflation in the country in the short term.

As the next task, let's dwell on the legislation of the Republic of Uzbekistan "On Exchanges and Exchange Activities".

Stock trading is regulated by a specific set of laws in each country.

In the developed countries of the world, over the next two decades, the regulation of stock exchange trading through legislation increased.

Previously, in many countries, stock exchange transactions were mainly regulated based on the norms and laws developed by the stock exchange itself.

In particular, in the USA, since 1973, the work of futures exchanges has been managed by the commission on all commodity futures trading. Its staff is appointed by the President and approved by the Congress.

In England, until 1986, the Bank of England monitored the activities of the Commodity Exchange, and since 1986, this task has been performed by the Securities and Investments Council.

In France, such management is assigned to the commission on the futures commodity market, and in Japan to various ministries.

In Uzbekistan, on July 2, 1992, the Law "On Exchanges and Exchange Activities" was adopted<sup>10</sup>. In March 1992, by the decision of the Cabinet of Ministers, the Council of Exchanges of the Republic of Uzbekistan, which coordinates the work of the Exchanges, was established .

In September 1995, the State Commission on Securities and Stock Exchanges was established under the Ministry of Finance of the republic.

The commission implements the state policy on the formation, development, control of the securities market and the coordination of the activities of enterprises and state administration bodies at the Exchange.

The Law of the Republic of Uzbekistan on stock exchanges and stock exchange activity.

Exchange - Exchange is a legal entity that creates conditions for free wholesale trade in exchange goods and free wholesale trade through open trading based on the established rules at a pre-determined address and time.

The second article of this Law deals with the activities of the Exchange. Exchange activity consists of a set of actions aimed at creating a wholesale market of exchange goods on the basis of determining the actual ratio of supply and demand for goods, and taking into account the formation of prices.

The third article of this Law deals with stock exchange. That is, property, including real estate, services, contracts for the supply of products, intellectual property, securities, foreign currency and other goods that are put into circulation among citizens are considered stock exchange goods.

According to the legislation of Uzbekistan, land, underground resources, water, other natural resources, the list of national treasures related to culture and history, and other types of goods determined by the Cabinet of Ministers under the President of the Republic of Uzbekistan cannot be stock exchange goods.

According to the law, the participants of the Exchange are those who That is, enterprises of all forms of ownership, organizations, brokerage and dealer firms (offices), brokers, dealers, other legal entities and individuals, including foreign legal entities and individuals, are participants in the exchange activity.

Establishment of stock exchange and exchange activities and related relations are governed by the Law of the Republic of Uzbekistan "On Enterprises in the Republic of Uzbekistan", this Law, other legal documents of the Republic of Uzbekistan and, in the territory of the Republic of Karakalpakstan, Karakalpakstan The laws of the Republic are also regulated.

Establishment of the stock exchange and organization of its activities Establishment and termination of the stock exchange shall be carried out as follows. The exchange is established by both legal entities and individuals, including foreign legal entities and individuals, on the basis of a voluntary agreement between them. The founding agreement of the stock exchange is formalized, and it specifies the duties and sphere of activity of the stock exchange, the composition of the founders of the stock exchange, the amount of the charter fund, the share of each founder in the charter fund, the terms and order of the contribution.

The authorized fund of the stock exchange should not be less than 500 times the minimum monthly salary.

The minimum amount of the charter fund must be indexed annually in accordance with the changes in the price level in accordance with the procedure established by law.

The maximum period of formation of the authorized fund of the stock exchange in the amount provided for in the founding documents, unless otherwise provided by the legal documents, should not exceed one year from the moment of the state registration of the stock exchange.

In this regard, we can inform the following, namely:

- 1) higher and local agencies of state power and administration;
- 2) state banks and state credit institutions (banks can be founders of stock and currency exchanges);
- 3) state insurance and state investment companies and funds;
- 4) public, religious and charitable associations (organizations) and foundations;
- 5) natural persons who are forbidden to engage in entrepreneurial activity according to the laws cannot be the founders of the stock exchange.

According to the legislation of the Republic of Uzbekistan, the stock exchange acquires the right to trade after it is registered in the prescribed manner.

In addition, termination and reorganization of stock exchanges shall be carried out in accordance with the laws of the Republic of Uzbekistan.

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