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12.00.02 – KONSTITUTSIYAVIY HUQUQ. MA'MURIY HUQUQ. MOLIYA VA BOJXONA HUQUQI

12.00.03 – FUQAROLIK HUQUQI. TADBIRKORLIK HUQUQI. OILA HUQUQI. XALQARO XUSUSIY HUQUQ

12.00.08 – JINOYAT HUQUQI. HUQUQBUZARLIKLARNING OLDINI OLISH. KRIMINOLOGIYA. JINOYAT-IJROIYA HUQUQI.

12.00.09 – JINOYAT PROTSESSI. KRIMINALISTIKA, TEZKOR-QIDIRUV HUQUQ VA SUD EKSPERTIZASI

12.00.10 – XALQARO HUQUQ

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DISTINCTIVE FEATURES OF CORPORATE DISPUTE RESOLUTION

Saidov Maksudbek Norboyevich,
Judge of the Gijduvan inter-district economic court, PhD in Law
ORCID: 0000-0002-7511-8391
e-mail: mr.msaidov@gmail.com

Abstract. *This article covers the processes from the stage of applying to the courts for corporate disputes, which economic courts have jurisdiction over, to their consideration and resolution by the courts, as well as the specific features of the resolution of corporate disputes. In particular, the transfer of corporate disputes from courts of general jurisdiction to economic courts and issues related to the institution of relevance in this regard (jurisdiction) are covered with examples from judicial practice and given the conclusion that all disputes arising from corporate relations and public legal relations that are causally connected with them should be resolved by economic courts. As a result of this, it is justified that the effective protection of the rights of the participants in the corporate relationship through the court will be granted. Moreover, special emphasis is placed on the aspects of corporate disputes that are different from other types of disputes in the resolution of corporate disputes by economic courts. Some mistakes and shortcomings that are made in practice and various approaches are analyzed, and given a personal author's position, which is expressed based on foreign experience in this regard, for the unification of judicial practice. Besides that, there are some proposals for clarification in the decision of the Plenum of the Republic of Uzbekistan.*

Keywords: *corporate relations, shareholder, exercising of corporate rights, protection of corporate rights, corporate dispute, jurisdiction, court competence.*

KORPORATIV NIZOLARNI HAL ETISHNING O‘ZIGA XOS XUSUSIYATLARI

Saidov Maqsudbek Norboyevich,
G‘ijduvon tumanlararo iqtisodiy sudining sudyasi,
yuridik fanlar bo‘yicha
falsafa doktori (PhD)

Annotatsiya. *Mazkur maqolada iqtisodiy sudlarga taalluqli bo‘lgan korporativ nizolar bo‘yicha sudlarga murojaat qilish bosqichidan boshlab ularning sudlar tomonidan ko‘rib chiqilishi va hal etilishiga qadar bo‘lgan jarayonlar aks ettirilgan bo‘lib, korporativ nizolarni hal etishning o‘ziga xos xususiyatlari sanab o‘tilgan. Jumladan, korporativ nizolarning umumiy yurisdiksiya sudlaridan xo‘jalik sudlariga o‘tkazilishi va bu boradagi taalluqlilik instituti bilan bog‘liq masalalar sud amaliyotidan olingan misollar bilan yoritilib, korporativ nizolardan kelib chiqqan va u bilan sababiy bog‘lanishda bo‘lgan ommaviy huquqiy munosabatlardan kelib chiqadigan barcha nizolar iqtisodiy sudlar tomonidan hal etilishi lozimligi to‘g‘risida xulosa qilinib, bu bilan korporativ munosabat ishtirokchilarining huquqlarini sud orqali samarali himoya qilishga erishilishi asoslantirilib berilgan. Shu bilan bir qatorda, korporativ nizolarning iqtisodiy sudlar tomonidan hal etilishida boshqa toifadagi nizolardan farqli jihatlariga alohida urg‘u berilib, amaliyotda yo‘l qo‘yilayotgan ayrim xato va kamchiliklar, turli xil yondashuvlar tahlil qilinib, bu boradagi xorijiy tajribadan kelib chiqqan holda shaxsiy mualliflik*

pozitsiyasi bildirilgan va sud amaliyotini unifikatsiya qilish maqsadida O‘zbekiston Respublikasi Plenum qarorida tushuntirish berilishi yuzasidan takliflar berilgan.

Kalit so‘zlar: *korporativ munosabat, ishtirokchi, korporativ huquqlarni amalga oshirish, korporativ huquqlarni himoya qilish, korporativ nizo, sudga taalluqlilik, sudlovga tegishlilik.*

ОСОБЕННОСТИ РАЗРЕШЕНИЯ КОРПОРАТИВНЫХ СПОРОВ

Саидов Максудбек Норбоевич,
доктор философии по юридическим наукам (PhD),
судья Гиждуванского межрайонного экономического суда

Аннотация. *В данной статье отражены особенности рассмотрения корпоративных споров, подведомственных экономическим судам, начиная от стадии обращения в суд до перечисления особенностей рассмотрения и разрешения корпоративных споров. В частности, на примерах из судебной практики освещены вопросы передачи корпоративных споров из судов общей юрисдикции в экономические суды, а также вопросы, связанные с институтом подведомственности корпоративных споров, сделан вывод о том, что все споры, возникающие из корпоративных отношений, по причинно-следственной связи вытекают из административных и иных публичных правоотношений, должны разрешаться экономическими судами, тем самым обосновано достижение эффективной защиты судом прав участников корпоративных отношений. При этом, уделив особое внимание отличию корпоративных споров от других категорий споров при разрешении экономическими судами, анализируя некоторые ошибки и недостатки, допускаемые на практике, различные подходы, зарубежный опыт, выражена личная авторская позиция. В целях унификации судебной практики внесены предложения по разъяснению норм в постановлениях Пленума Верховного суда Республики Узбекистан.*

Ключевые слова: *корпоративные отношения, участник, осуществление корпоративных прав, защита корпоративных прав, корпоративный спор, подведомственность, подсудность.*

Introduction

Corporate disputes, which are initially resolved in courts of general jurisdiction, then in commercial courts, and to this day in economic courts, not only disrupt the activities of the subject of corporate relations but also affect the employees and their family members, partners who have contractual relations with it, and the whole business environment. Taking into account the negative impact of corporate conflicts, it is not difficult to understand that the correct and prompt resolution of corporate disputes by the courts is of great importance.

Based on this point of view, a number of works have been carried out in Uzbekistan on the exercising of the rights of the participants of corporate relations and the formation of the legal basis for the effective protection of their legal interests. Some problems related to the jurisdiction existing in the practice of resolving corporate disputes by general jurisdiction and economic courts have been eliminated, and the mechanism of legal protection of the rights of the participants of corporate relations has been improved. However, it is worth noting that the normative legal framework aimed at regulating corporate relations in national legislation cannot be said to be in a satisfactory state. The absence of a well-developed mechanism for exercising certain rights of the participants of corporate relations and the fact that special methods of protection of corporate rights are not defined in each individual case are becoming obvious in the process of resolving corporate disputes in courts.

Materials and methods

The work uses general scientific methods such as historical, comparative legal, logical (analysis and synthesis), and empirical methods based on survey, monitoring, study, and generalization of experience. In this very research the author desires to illustrate the distinctive features of corporate dispute resolution. Conceptual, comparative and statistical- component methods were implied to this article. Moreover, cases and the techniques that help the development of the research were analyzed. The outcomes were then analyzed properly entailing the ways, techniques and tasks which assisted to create this article.

Research results

Studying the question of the jurisdiction of corporate disputes shows that all corporate disputes, except the ones determined in the Economic Procedure Code of the Republic of Uzbekistan (in the text referred to as the EPC), are being considered by the economic court. In the EPC, there are specially mentioned three categories of cases: labor disputes, disputes arising in connection with the division of inherited property or the division of the common property of spouses, which include shares, shares in the authorized capital (authorized capital) of business entities and partnerships, and shares of members of cooperatives, which do not cover the jurisdiction of economic courts.

Article 30 of the EPC lists seven different forms of corporate disputes. Since this list does not cover all corporate disputes, in certain cases, the issue of whether this or that dispute arises from corporate relations or is not considered a corporate dispute is decided by the judges of the economic courts themselves. That is, if the demand in the lawsuit is considered a corporate dispute, the case is being considered on its merits. If it is concluded that the demand in the statement of claim is not a corporate dispute, that is, that the claim was submitted to the economic court in violation of the rules of jurisdiction, the claim (application) is transferred to the civil court or the administrative court, depending on its relevance. If, after the court has accepted the claim for proceedings, it is concluded that the demand in the claim did not arise from the corporate relationship during the case hearing, the economic court transfers the case materials to the civil court or the administrative court for consideration and terminates the economic court proceedings. However, due to the fact that the concept of a corporate dispute is not clearly defined in the legislation, different conflicting opinions arise not only among the people applying to the court (plaintiff, complainant) but also among the judges in solving the issue of the relevance of the dispute. For example, B. Bazarbayev, the shareholder of “BI-SAY” LLC, filed a lawsuit against “BI-SAY” LLC and “SAYDI KOINOT” PE, claiming that the construct signed between BI-SAY LLC and “SAYDI KOINOT” PE on July 16, 2020 asked to declare the contract of sale of unfinished housing apartments invalid. During the trial of the case, it was found that B. Bazarbayev did not have the status of a participant in the LLC, neither at the time of the conclusion of the contract nor at the time of filing the lawsuit. Therefore, the proceedings were terminated by the court’s decision (ruling), and the case materials were transferred to the relevant civil court [1]. In this case, some judges have the opinion that the contention of the dispute should be considered a corporate dispute and the claim should be rejected.

It is also possible to observe different practices in court regarding disputes over the decisions of certain legal entities without corporate relations, including private firms and farms. For example, A. Grebenkova’s claim to invalidate the decision of the general meeting No. 1 of December 9, 2019 of the private enterprise “Kamar” was considered

in the Shahrisabz inter-district economic court, and it was decided that the demand in the claim was not a corporate dispute, and the proceedings were terminated by the court's decision (ruling). By the decision of the appellate instance court, this ruling was canceled and the claim was satisfied; that is, the claim was considered a corporate dispute in the appellate court [2].

There are some conflicting opinions among judges and law experts regarding whether the dispute between the shareholder and the sole executive body of the company, that is, the director, is a corporate dispute or a labor dispute. In the eighth part of Article 79 of the Law of the Republic of Uzbekistan "About joint-stock companies and protection of shareholders' rights", the rights and obligations of the director of the company, the members of the management of the company, and the trustee are specified in this Law and other legal documents, as are the charter of the company and each of them with the company for a period of three years, and a decision is made every year on the possibility of extending the validity period of the contract or canceling it. The agreement is signed on behalf of the company by the chairman of the company's supervisory board or a person authorized by the supervisory board. The contract concluded with the director of the company, the chairman of the company's management, and the trustee should stipulate their obligations to increase the efficiency of the company's activities and the periodicity of their reports to the general meeting of shareholders and the company's supervisory board regarding the progress of the company's annual business plan. The norm of this content is also contained in Article 39 of the Law of the Republic of Uzbekistan "About Limited and Additional Liability Companies".

According to paragraph 7 of the decision of the Plenum of the Supreme Economic Court of the Republic of Uzbekistan No. 262 dated June 20, 2014 (referred to as the Plenum) "On some issues of resolution of corporate disputes by the economic courts", the attention of the courts is directed to the director of the company, members of the management of the company, trustee, and It should be noted that the dispute arising between the companies under the contract concluded on the basis of the eighth part of Article 79 of the Law of the Republic of Uzbekistan, "About joint-stock companies and protection of shareholders' rights," arises from the activity of the company, but it does not apply to the economic court because this dispute arises from labor relations. The same rule applies to disputes arising between the executive body (director) of a limited liability and additional liability company based on sole leadership and the company under the contract concluded on the basis of the second part of Article 39 of the Law of the Republic of Uzbekistan "About Limited and Additional Liability Companies".

With the adoption of the new version of the Labor Code of the Republic of Uzbekistan, this issue was clarified. In particular, according to Article 486 of the Code, a fixed-term employment contract was established with the head of the joint-stock company for the period specified by law. However, it is unclear why the legislator singled out the joint-stock company, and can this norm be applied to other subjects of corporate relations, including the second most common form of company, the limited liability company (referred to as LLC in the text)? If this norm is also applied to the LLC, why is the legal form of the joint-stock company (referred to as JSC in the text) separately specified in the Code? Is an employment contract concluded when the sole shareholder of the LLC is the director at the same time (is the contract signed by one person from both sides)? Such questions are still waiting for their solution.

For example, according to the law of the Federal Republic of Germany, the relationship between the participant and the director is considered as a pure corporate legal relationship. The director does not sign the contract as an employee, and the director is not treated as an employee. The director performs his duties based on the service agreement, and the general norms of contract law apply to the relationship between the shareholder and the director [3]. Therefore, any dispute between the director and the participants will be resolved by the district courts *(Landgerichte)*, which are part of the Federal Judicial Chamber, and not by the labor courts. According to Uzbek national law, claims made by the fired director, dissatisfied with the behavior of the shareholder, are resolved in civil courts as a labor dispute (jurisdiction of civil courts). As an example, we can cite the civil case initiated by citizen B. Djalilov against the defendants "AKFA UNIVERSITETI" LLC, "AU FINANCIAL INVESTMENT TEAM" LLC, and "AKFA MEDLINE" LLC. In the lawsuit, B. Djalilov stated that he was illegally dismissed from the position of the rector of "AKFA UNIVERSITY" LLC and claimed to declare the order of "AU FINANCIAL INVESTMENT TEAM" LLC dated January 10, 2023, No. 01/23, the order of "AKFA UNIVERSITY" No. 23 dated January 10, 2023, the order of AUFIT No. 1, the order No. 8-K of "AKFA UNIVERSITY" LLC of January 10, 2023, and the order of the sole founder of "AKFA UNIVERSITY" LLC "AKFA MEDLINE" LLC of January 10, 2023 as llegal [4]. The inter-district court of Mirzo Ulugbek on civil cases considered that the claim was submitted in compliance with the rule of relevance, considered the case, and decided on its merits. The reason for the judge to come to this conclusion is that both the EPC (Article 26) and the Civil Procedure Code (Article 27) have the same definition: In the case of combining several related claims, some of which fall under the jurisdiction of the economic court and others under the jurisdiction of the civil court, all these claims shall be subject to consideration in the civil court. However, we believe that the requirements established by the legislation of special jurisdiction cannot be decided by another court. For example, such requirements include invalidating the decision of the general meeting of shareholders and reinstatement of the director, collecting debts from an individual, and declaring him insolvent. That is, the demand for debt recovery from an individual should be considered in the civil court, but the demand to find the individual insolvent in the economic court

In our opinion, the legislation regulating the relationship between the shareholder and the director should be revised based on the experience of developed countries. The relationship between them (in particular, the appointment, dismissal of the director, the conclusion of certain transactions provided for by the legislation, and disputes arising from the violation of fiduciary obligations) is considered to be a corporate relation, and when such disputes arise in relations, the disputes should be resolved in economic courts. In this case, the rule that all claims must be heard in a civil court in the case of several claims related to each other, some of which are related to the economic court and others to the civil court, is not applied to certain categories of cases, including corporate and bankruptcy cases. An explanation in this context should be given in the decision of the Plenum.

There are controversial opinions about which court (economic or civil) the shareholder should apply to protect the rights in the process of considering the claims of the participants (founders, members) of the legal entity regarding the invalidity of the transactions concluded by the legal entity and (or) applying the

consequences of the invalidity of such transactions when the property of the company disposed of as a result of the transaction is later transferred to third or fourth individuals through another transaction. In our opinion, such disputes should be considered in the economic court because they arise from corporate legal relations and are causally connected with corporate relations. According to the first part of Article 30 EPC, cases on corporate disputes include disputes on claims of participants (founders, members) of a legal person on declaring the transactions made by the legal person invalid and (or) enforcing the consequences of the invalidity of such transactions. The provision of such an explanation in the decision of the Plenum serves to resolve the corporate rights in an operative manner through the court, in addition to the correct application of the first part of Article 30 of the EPC by the courts.

Another issue regarding the jurisdiction of corporate disputes is that, although corporate disputes arise from civil-law relations, sometimes their consequences involve public-law relations. An example of this is the request to invalidate the decision of the general meeting of the shareholders of the company and to declare the state registration of the amendments made to the founding documents illegal. That is, the state registration of amendments to the founding documents is an administrative legal relationship, and in the event of a dispute arising in this case, it arises directly from corporate disputes. However, based on the requirements of procedural legislation, cases in this category are considered in administrative courts. For example, the foreign company "Lancaster Technologies LLC" applied to the inter-district Administrative Court of Tashkent for state re-registration No. 4417421 on September 14, 2021, and No. 4424396 on September 17, 2021, and asked to find the state re-registration of "Lancaster Technologies" LLC invalid on the basis of his reference.

It was found that in order to take over Lancaster Technologies LLC on September 14, 2021, Kh. Khabibullayev acted as the manager of the foreign company Lancaster Technologies LLC (California), without being the shareholder of Lancaster Technologies LLC. Using the fact that the names of the two foreign companies are the same, "Lancaster Technologies" LLC illegally adopted Decision No. 23 dated September 14, 2021, on approving the charter of "Lancaster Technologies" LLC in a new version. This was registered by the state service center of the Mirzo Ulugbek district of Tashkent city on September 14, 2021. In accordance with the newly revised charter of the JSC "Lancaster Technologies" LLC, approved on the basis of the illegal decision No. 23 dated September 14, 2021, of the foreign company "Lancaster Technologies LLC" (California), without changing the name of the founder, "Lancaster Technologies LLC", the address of the founder was changed from Delaware, United States of America, to California. On September 16, 2021, the manager of the foreign company "Lancaster Technologies LLC" (California), H. Khabibullayev, continued his illegal actions and, based on the illegal sale agreement dated September 16, 2021, illegally sold the share belonging to the foreign company "Lancaster Technologies" LLC for the nominal value of 147,833,25 US dollars, which is 12.88% of the authorized capital of JK, to the citizen of the Republic of Afghanistan, Nesor Mir Hafizulla Mir Abdulla (Delaware). The founding documents of the JSC were approved in a new version on September 17, 2021, by the public service center of the Mirzo Ulugbek district of Tashkent city with Protocol No. 1 of the general meeting of founders dated September 16, 2021, signed by the managers of the foreign company

"Lancaster Technologies LLC" (California), H. Khabibullaev and M. Nesor.

In order to protect the violated rights, the foreign company "Lancaster Technologies LLC" (Delaware) applied to the economic trial panel of the Tashkent city court with a claim to invalidate the above documents on the management of "Lancaster Technologies" LLC. According to the court decision Decision No. 23 of "Lancaster Technologies" LLC, "Lancaster Technologies" LLC (California) foreign company manager H. Khabibullayev and the citizen of the Republic of Afghanistan M. Nesor, the sale contract of 12.88 percent of the authorized capital of "Lancaster Technologies" LLC, with a nominal value of 147,833.25 US dollars, was declared invalid. In addition, according to the court decision, the protocol of the general meeting of founders of Lancaster Technologies LLC dated September 16, 2021, and the founding agreement of "Lancaster Technologies" LLC JSC approved by the report registered by the Mirzo Ulugbek district public service center of Tashkent city dated September 16, 2021 were identified as invalid.

On July 21, 2022, the judicial panel on economic affairs of the Tashkent City Court issued a writ of execution for the execution of the decision of the Tashkent City Court dated December 6, 2021, No. 4-10-2109/424 on economic affairs, and on the same day, "Lancaster Technologies LLC" (Delaware), a foreign company, sent this execution form to the State Services Center of the Mirzo Ulugbek district of Tashkent City for execution. According to letter No. 4/217/3 dated August 3, 2022, from the center of public services in Mirzo Ulugbek district of Tashkent city, it is explained that it is necessary to appeal to the court to declare the state registration of the amendments and additions to the founding documents of "Lancaster Technologies" LLC invalid, and the applicant's appeal is rejected. As a result, the applicant repeatedly appealed to the Tashkent inter-district court to restore his rights through the court. Court No. 5-1001-2201/2260 satisfied the request of the applicant and restored his corporate rights [5].

However, in order to restore a single corporate right, applying to the economic court first and then to the administrative court after the decision of the economic court comes into force not only causes inconvenience to the subjects of corporate relations but also does not correspond to the general purpose of the legislation. After all, the presence of such complex stages and processes in the protection of rights will undoubtedly have a negative impact on corporate relations. For example, in the Russian Federation, disputes related to the registration of shares are resolved in arbitration courts. Some specialists in the field associate this situation regarding the relevance of disputes with the absence of administrative courts in the Russian Federation [6]. However, even though there are administrative courts in the German Federation, in the case of a dispute arising from other public legal issues related to corporate relations (state registration, actions of notaries); the dispute is not solved in the administrative courts but in the district courts (Landgerichte) that are part of the Federal Judicial Chamber [7]. The resolution of disputes arising from public-legal relations that are causally connected with corporate relations by one court, more precisely, economic courts, as well as ensuring the mechanism of effective protection of the violated rights of the subjects of corporate relations through the court, is of essential importance in the development of corporate relations.

In our opinion, defining the concept of corporate relations by defining the norms (limits) of the concept of corporate relations in legislative documents and clarifying the scope of people who have the right to apply

to the court for a corporate dispute and the persons who must respond serves to eliminate problems related to the relevance (jurisdiction) of corporate disputes.

Analysis of research results

The EPC sets exclusive court competence for corporate disputes. According to Article 37 of the EPC, claims in corporate disputes shall be submitted at the location of the legal entity. Based on this rule, claims on corporate disputes are resolved in the court of the place where the legal entity is located. According to Article 46 of the Civil Code of the Republic of Uzbekistan (referred to in the text as CC), the location of a legal entity is determined by the place of state registration, unless otherwise specified in the founding documents of the legal entity. In theory, this norm of jurisdiction is considered to have been adopted from the Anglo-American legal system [8]. The purpose of this norm established regarding jurisdiction is aimed at preventing disputes related to the activity of a specific legal entity from being considered in different courts where the defendants are registered and ensuring the integrity of corporate relations through the comprehensive resolution of disputes in corporate relations. At the same time, another important function of belonging to the special court established in various countries regarding the trial of corporate disputes is to prevent business acquisition by illegal means and artificial obstacles, i.e., to prevent raiding and to prevent the normal operation of the enterprise by submitting lawsuits to the courts to prevent the termination of its activity. Article 212 of the EPC stipulates that in addition to the documents provided for in the Code, a document confirming the state registration of a legal entity and information on its location (postal address) must be attached to the statement of claim on a corporate dispute. Although the purpose of this norm is to avoid error and compliance with the special rule of jurisdiction in the admission of a claim on a corporate dispute, it does not work in practice. Because no consequences have been defined in EPC in the absence of this norm, more precisely, even if a document confirming the state registration of a legal entity and indicating information about its location (postal address) is not attached to a claim on a corporate dispute, the claim is accepted for processing on general grounds. In the legislation, it is not allowed to return the claim on the basis of non-compliance with this requirement.

Moreover, in EPC, it is established that corporate disputes involving a foreign person, a non-resident of the Republic of Uzbekistan, as a party belong to the courts of the Republic of Karakalpakstan, regional courts, and Tashkent city courts. In this case, it is important to pay attention to the fact that jurisdiction is only related to the identity of the parties, and the rule of jurisdiction does not change even if the third parties participating in the case are foreign subjects. The case in the court of first instance is considered in inter-district, district, and city courts. It should be noted that the provisions of the Hague Convention on Choice of Court Agreements of June 30, 2005, do not apply to the determination of the jurisdiction of corporate disputes [9]. According to EPC, the rule of “exclusive court competence” cannot be changed in accordance with the contract. That is, even if the shareholders in the founding agreement agree that the case will be heard in a certain court in the event of a dispute, the economic courts will decide the dispute in accordance with the provisions of Article 37 of the EPC based on the inadmissibility of such an agreement.

Article 3 of the EPC distinguishes three forms of appeals to economic courts in the form of a statement of claim, a statement, and a complaint (appeal and cassation), and since corporate disputes are considered to be disputes arising from civil legal relations,

such disputes are considered in the form of a claim. That is, a person whose rights have been violated in corporate relations participates in the case as a plaintiff when he applies to the court in order to protect his violated or contested rights or interests protected by law. The legal entity with which there is a dispute in its activity regarding the corporate dispute will have a special procedural status as a person participating in the case. Because, in the event of a corporate dispute, a legal entity cannot function normally. For example, in paragraph № 17 of the Plenum Resolution, it is explained that the company itself, and not these management bodies, is responsible for claims that the decisions of the management bodies (general meeting, supervisory board, executive body) of the joint-stock company (general meeting, supervisory board, executive body) are invalid in whole or in part, and it is determined that the issue of accepting applications for invalidating the decisions of the management bodies of the additional liability company shall be resolved in the same manner. Also, in this paragraph, it is stated that the fact that a certain management body is named as the defendant in the claim is the basis for replacing the defendant in accordance with the procedure established in Article 45 of the EPC. In our opinion, if the management body of the company is named as the defendant in the claim of this content, the claim should be refused to accept, and even if the claim is accepted for proceedings, the proceedings should be terminated. Because the management body of the company is not considered a legal subject and it cannot be given the procedural status of the responsible party in the economic court, it cannot be replaced by the relevant defendant. The legal entity itself must participate as an interested party in any corporate dispute in the proceedings of the court. Because the decision of the court on the corporate dispute is related to the rights and obligations of the legal entity in one way or another,

According to Article 203^2 of the EPC, cases on claims where the value of the claim against legal persons does not exceed twenty times the base calculated value and against individual entrepreneurs does not exceed five times the base calculated value shall be considered under the summary proceedings procedure. However, corporate disputes, regardless of the amount of the claim, are not considered in the simplified procedure. Because corporate disputes arise in the course of corporate relations, corporate relations mean relations between participants (shareholders) of the corporation and the management of the corporation (board of directors, board of directors), between participants (shareholders) and participants (shareholders), between the employees of the corporation and the management of the corporation (board of directors, board of directors), between the corporation and the state, state bodies, creditors, partners, other organizations, and citizens are understood to be relations related to the activities of the corporation [10]. As a rule, a claim made in a corporate dispute is subject to the rights and obligations of third parties, and the court document adopted at the end of the case affects the rights and legally protected interests of third parties. According to E. Afanasyeva, corporate relations are complex legal relations that combine the elements of property and non-property-organizational-management relations. The existence of an organizational-management aspect, which is not typical for civil-legal relations, is a characteristic of corporate relations, which allows them to be distinguished as a separate group [11].

Another characteristic of corporate disputes is that such cases cannot be resolved by court order. Because the list of requirements for issuing a court order,

provided for in Article 135 of the EPC, is exhaustive and cannot be interpreted in an extended manner, some judges and experts disagree and support the approach that court orders are available in some corporate disputes. As a proof of their opinion, they claim that if the dividend that should be paid by the company to the participant is not paid within the specified period, the participant can apply to the court with a request to issue a court order. According to paragraph 3 of the first part of Article 135 of the EPC, it is envisaged to issue a court order if a demand has been stated for the collection of debit indebtedness based on its documented acknowledgment. However, the shareholder cannot be considered a creditor in relation to the company. In particular, Article 3 of the Law of the Republic of Uzbekistan "On Insolvency" defines the concept of creditor, according to which creditors mean legal entities or natural persons to whom the debtor is liable for monetary obligations and (or) the fulfillment of duties on taxes and fees, with the exception of citizens to whom the debtor is liable for causing harm to life or health, as well as the founders (participants) of the debtor, which is a legal entity liable for obligations arising from such participation.

A demand for a claim in a corporate dispute can be both valued and non-valued. For example, demands for dividend collection and share value collection are considered property claims, whereas demands on invalidating the decisions of the management bodies of a legal entity and demends on convening a general meeting of participants of a legal person are considered non-property claims. Besides, many lawsuits in corporate disputes combine property and non-property claims. Claims of the shareholders (founders, members) of the legal entity regarding the invalidity of the transactions concluded by the legal entity (non-property claim) and/or applying the consequences of the invalidity of such transactions (property claim), invalidating the decision of the general meeting (non-property claim), and regarding the recovery of damages caused to the company (property claim) are among them. However, there are two different approaches to determining which category some claims in corporate disputes fall into based on their subject matter. For example, some judges consider the demand for a lawsuit in connection with the obligation of the company to buy shares at the request of the shareholders, which is defined in Article 40 of the Law of the Republic of Uzbekistan "About the Protection of the Rights of the Joint-Stock Company and Shareholders," as a property claim, while others consider it a non-property claim. In particular, the claim of the plaintiff "Khalkparvarlik" joint-stock company against the defendant "Angor Cotton Ginning" joint-stock company regarding the obligation to buy back 64,008 shares of 490,045,248 sums with a market value of 7,656 sums each was fully satisfied. Considering the claim as non-property, the defendant was charged 10 times the amount of the basic calculation, which is 2,450,000 sums [12]. However, in the decision of the court on the case brought by I. Tangribergenova against "Urganch Central Farmer's Market" joint-stock company on the obligation to buy back 9.090 shares worth 10.000.000 sums, the claim was considered a property claim, and the state fee is charged in proportion equal to the amount of the claim [13].

In our opinion, the demand related to the imposition of the obligation to purchase shares of a certain value is a corporate dispute arising from the property relationship between the joint-stock company and the shareholder. That is, since the company did not fulfill the shareholder's demand to pay a certain amount, the shareholder files a lawsuit in court using the method of legal protection to recover this amount. The satisfaction of the claim leads to

the restoration of the shareholder's property rights through the court.

People participating in corporate disputes differ from other types of disputes in terms of the subjects involved and their scope. Scientist A. Besedin, who studied corporate disputes on the basis of comparative analysis, recognized corporate disputes as complex affairs and emphasizes that a legal entity whose normal activity was hindered in the course of disputes within the framework of a corporate dispute's interests affect the interests of its participants (shareholders) whose rights were violated or in dispute, as well as usually the interests of third parties [14]. First of all, both legal entities and individuals participate as parties in a corporate dispute. Despite the fact that in most cases one party in such disputes is a physical person, the dispute arises in the economic activity of a legal entity, that is, in the field of economy. The resolution of this or that corporate dispute is not only related to the rights and interests of the subjects of the corporate relationship but also affects the rights of third parties. Therefore, in corporate law, the rights and interests of third parties are studied as an urgent issue.

Corporate disputes can be relatively complex and confusing. Unlike the resolution of commercial contract disputes, a corporate dispute cannot be resolved by a single resolution of the dispute. Because a single corporate dispute in court may be a small part of a larger corporate dispute,

Corporate disputes require examining and evaluating large volumes of evidence in terms of relevance and admissibility. The shareholders of the corporate relationship have a lot of information about each other in the course of their joint activities, and each party uses this information and data for its demands and objections in the process of hearing the case in court. Usually, the majority of corporate disputes do not end only with civil liability measures; criminal cases are initiated as a result of such disputes, and in some cases, they end with the application of criminal liability measures to company participants and, in some cases, with the fact that crimes were committed in the economic sphere in the activities of the company. Some corporate disputes cause the company to become insolvent.

Due to the fact that most of the norms regulating corporate relations are of a dispositive nature [15], the resolution of this or that issue in the legislative documents refers to the internal local documents of the subject of corporate relations. Therefore, the founding documents of the company should be studied by the judges in order to correctly resolve the dispute, to determine the scope of the people involved in the corporate dispute, and to avoid procedural errors. As a rule, when dealing with cases involving corporate disputes, the courts require the founding documents of the legal entity from the state registration bodies of legal entities.

Regarding the payment of state duty in corporate disputes, there are a number of aspects that should be paid attention to, and in some cases, the courts do not pay enough attention to these cases. In particular, in the second paragraph of state duty rates, approved as an appendix to the Law of the Republic of Uzbekistan "On State Duty", it is stated that when applying to courts within the scope of business activities carried out by small business entities, the 50 percent state duty payment – the fixed rate indicated in sub-paragraphs "a," "g," and "e" of this paragraph – is not applicable to corporate dispute lawsuits. Because participation in a company is not considered entrepreneurial activity,

Conclusion

It is necessary to provide the concept of corporate relations by defining the norms (limits) of the concept of corporate relations in legislative documents. Thus, the problems

of the jurisdiction of corporate disputes in judicial practice will be eliminated.

All disputes arising from corporate relations and public legal relations that are causally connected with them should be resolved by economic courts. As a result of this, there is no doubt that the effective protection of the rights of the participants in the corporate relationship through the court will be granted.

The rule that all claims must be heard in a civil court in the case of several claims related to each other, some of which are related to the economic court and others to the civil court, is not applied to certain categories of cases, including corporate and bankruptcy cases. "In the event of combining several related claims, some of which fall under the jurisdiction of the economic court and others under the jurisdiction of the civil court, all these claims shall be subject to consideration in the civil court, accept corporate bankruptcy cases". The statement in the above edition will strictly determine the framework of the institution of jurisdiction (exclusive jurisdiction).

Corporate disputes can be relatively complex and confusing. Regardless of the amount of the claim, corporate disputes are not considered in the simplified procedure. Moreover, corporate cases cannot be resolved by court order.

It should be noted that the revision of the legal basis of corporate dispute resolution is the demand of today, and the legislative documents aimed at regulating this field should be improved through a comparative analysis of the legal documents of developed countries.

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Tahririyat manzili:
100047. Toshkent shahar, Sayilgoh ko‘chasi, 35.
Tel.: (0371) 233-66-36, 233-41-09.
Faks: (0371) 233-37-48.

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