

## LEGAL UPDATE

## June 2019

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**1.** New amendment to the Civil Code inserts a new article concerning claims against freight forwarders. Before lodging a claim against freight forwarder, a written notice must be sent to them.

In case the freight forwarder rejects or partially accepts the notice or does not reply to it within 30 days, the person has the right to bring a claim to court against the freight forwarder.

The statutory time for the claims against freight forwarder is 1 year from the day when a right to such claim arises.

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**2.** According to the amendment to the Law on suspension of the inspections conducted in the field of entrepreneurship, it is now permitted to conduct inspections in a number of fields, namely fire control, state supervision on construction, radiation safety control and control over safe exploitation of potentially dangerous objects and mining sites.

Under the current legislation, inspections conducted in the field of entrepreneurship in the country are suspended until January 1, 2021.

**3.** According to the new amendments to the law on insurance, the disclosure of information in cases which can lead to the contradiction between interests of the members of management board and the insurer and conclusion of transactions contrary to the interests of the insurer shall be carried out in accordance with the requirements of by Article 107-10.5 of the Civil Code of Azerbaijan Republic.

Hence, in such cases the head of the executive body or its members shall disclose such information to the Board of directors (if it exists) or to the general meeting of shareholders in written manner. The conclusion of contracts which are contrary to the interests of insurer shall be realized by the resolution of the management body unless otherwise stipulated by the law.

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**4**. The Law on amendments to the Code of Administrative Offences envisages new article on the violation of the security of the aviation. So, according to this article, non-disclosure of information to the State Border Service of Azerbaijan Republic about the passengers of the airship landing to the territory of Azerbaijan or leaving the territory of Azerbaijan, after booking (buying) of tickets and in any case before boarding shall be subject to fines at the rate of 1500 AZN in respect of officials and at the rate of 3000 AZN in respect of legal entities.

In addition, non-disclosure of information to the State Border Service of Azerbaijan Republic, about the duty of each member of the crew of the airship landing to the territory of Azerbaijan or leaving the territory of Azerbaijan at least 24 hours before departure or about the change of the crew members before departure shall be subject to fines at the rate of 1500 AZN in respect of officials and at the rate of 3000 AZN in respect of legal entities.

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## FOR MORE INFORMATION:

"SKS" Plaza, 7th floor, 49 Fuzuli Str., AZ1014 T. (+994 12) 480 0088 office@bhm.az www.bhm.az

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