



LAW OF MONGOLIA

June 21, 2018

Government palace, Ulaanbaatar city

This Law shall come into force on November 1, 2018

ON STATE REGISTRATION OF PROPERTY RIGHTS /Revised Edition/

CHAPTER ONE GENERAL PROVISIONS

Article 1. Purpose of the Law

1.1. The purpose of this Law is to regulate matters related to registering rights to own property located on the territory of Mongolia and other relevant property rights in state registration.

Article 2. Legislation on State Registration of Property Rights

2.1. Legislation on state registration of property rights shall consist of the Constitution of Mongolia¹, Civil Code², General Law on State Registration, Law on Land³, Law on Cadastral Mapping and Land Cadaster⁴, Law on Allocation of Land to Mongolian Citizen for Ownership⁵, Law on Mortgaging Immovable Property⁶, Law on Electronic Signature⁷, this Law and other legislative acts issued in conformity therewith.

2.2. If an international treaty of Mongolia is inconsistent with this Law, then the provisions of the international treaty shall prevail.

Article 3. Definitions of Terms of the Law

3.1. The following terms used in this Law shall be understood as follows:

3.1.1. "Immovable property rights" refers to ownership and other relevant property rights of land or property which cannot be used according to its purpose as soon as it is separated from the land;

¹ The Constitution of Mongolia, published in "Toriin Medeelel" (State Bulletin), Vol.1, 1992.

² The Civil Code, published in "Toriin Medeelel" (State Bulletin), Vol.7, 2002.

³ The Law on Land, published in "Toriin Medeelel" (State Bulletin), Vol.27, 2002.

⁴ The Law on Cadastral Mapping and Land Cadaster, published in "Toriin Medeelel" (State Bulletin), Vol.1, 2000.

⁵ The Law on Allocation of Land to Mongolian Citizens for Ownership, published in "Toriin Medeelel" (State Bulletin), Vol.27, 2002.

⁶ The Law on Mortgaging Immovable Property, published in "Toriin Medeelel" (State Bulletin), Vol.28, 2009.

⁷ The Law on Electronic Signature, published in "Toriin Medeelel" (State Bulletin), Vol.1, 2012.

3.1.2. "State registration of property rights" refers to what is stated in Paragraph 3.1.4 of the General Law on State Registration;

3.1.3. "Private file" is a set of source documents in paper and electronic forms stored in state registration database of property rights;

3.1.4. "State registration number" refers to a unique number, issued by the state administrative organ in charge of state registration, that proves the state registration of property rights;

3.1.5. "State registration database of property rights" refers to a collection of paper and electronic information of state registration of property rights;

3.1.6. "Application" refers to a request filed by a citizen or a legal entity in the form specified in laws to register property rights in state registration;

3.1.7. "Assignee" refers to a party who receives ownership and other relevant property rights from an owner, possessor or user.

Article 4. State Registration of Property Rights

4.1. State registration of property rights (hereinafter referred to as "state registration of rights") shall have the types specified in Article 8 of the General Law on State Registration.

4.2. Unless otherwise specified by laws, movable properties and their relevant rights may be registered in state registration of rights, and the relevant procedure shall be approved by the Government.

4.3. The Government shall approve the procedure on registering immovable property and its related rights that refer to state and official secrets under laws, in state registration of rights.

4.4. Right to an apartment or common immovable property shall be registered based on parcel number of the land under or around the particular immovable property.

4.5. The Government shall approve the procedure on maintaining state registration of rights.

4.6. State registrar specified in Article 19 of the General Law on State Registration shall maintain state registration of rights.

Article 5. Commencement of the Right to Own Property and Other Related Property Rights

5.1. The right to own property commences once a citizen or a legal entity registers the right stated in Paragraph 8.1.1 of the General Law on State Registration in state registration of rights in accordance with the procedure provided by laws.

5.2. The rights that are related to property ownership stated in Paragraphs 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6, 8.1.7, 8.1.8 and 8.1.9 of the General Law on State Registration shall commence once registered in state registration of rights.

5.3. The state registration authority shall issue a state registration certificate in proof of registering ownership stated in Paragraph 5.1 of this Law in state registration of rights.

5.4. The Government shall approve a template of the certificate, the information to be included and the procedure on issuance of a state registration certificate of the right specified in Paragraph 5.3 of this Law.

5.5. Certificate from state registration of rights specified in Paragraph 5.3 of this Law shall be re-issued on the following grounds:

5.5.1. Certificate is worn out or damaged and is impossible to use;

5.5.2. Re-issuance of the certificate is requested due to the changes made in state registration of rights;

5.5.3. Certificate is lost or destroyed;

5.5.4. Certificate is not possible to be used as state registration of rights was considered invalid;

5.5.5. When the transfer of an ownership is to be registered by the court or arbitral decision, it has become impossible to confiscate the state registration certificate;

5.6. If the certificate is lost, it shall be considered invalid by a decision of the general state inspector based on the owner's application and advertisement to have the certificate invalidated in a daily newspaper and a state registrar shall re-issue the certificate within 15 working days.

5.7. In case of Paragraph 5.5.5 of this Law, a state registrar shall re-issue the certificate within 15 working days based on a request by the applicant and an official letter by court decision execution agency.

5.8. In cases other than stated in Paragraphs 5.6 and 5.7 of this Law, a state registrar shall re-issue the certificate within 10 working days.

5.9. If the land, registered with purpose of possession or use in state registration of rights, is to be allocated for the purposes stated in Paragraph 4.1.1 of the Law on Allocation of Land to Mongolian Citizens for Ownership, it may be recorded in state registration of rights.

Article 6. Accuracy of State Registration of Rights

6.1. State registration of rights shall be accurate and a state registrar shall enter each record made by him/her in state registration database of property rights and verify it in accordance with laws and relevant procedures.

6.2. If a person, who is not entitled to register a property, acknowledges the demand by a person whose rights and legal status have suffered due to the registration under the name of that unentitled person as specified in Paragraph 182.3 of the Civil

Code, a state registrar may make amendments in state registration of rights based on relevant evidences and a state inspector's assessment.

6.3. If the person whose name is registered in state registration of rights does not accept the demand specified in Paragraph 6.2 of this Law, amendment shall be made to state registration of rights after the court decision takes effect.

6.4. Person, who considered his/her right is violated, is entitled to file an application regarding inaccurate and false records of state registration of rights as specified in Paragraph 183.3 of the Civil Code to the state registration authority. If the records are found to be inaccurate or false during the review, the record may be changed by the state inspector's decision.

6.5. In case of a complaint on duplicate registration or registration based on counterfeit documents, movement of that record shall be suspended by the state inspector's decision. If necessary, it shall be transferred to a competent authority for investigation.

6.6. In cases other than stated in Paragraphs 6.2 and 6.4 of this Law, state registration of rights shall be invalidated by a court decision.

6.7. A state registrar maintaining the particular records or an archivist in charge or a senior registrar for monitoring the registration or state inspector may refer to the files in state registration of rights in accordance with established procedures. The files are prohibited to be taken outside the premises of state registration authority.

6.8. Paragraph 6.7 of this Law shall not apply, when information is to be obtained electronically by the owner or other party, in accordance with the procedure provided in this Law.

CHAPTER TWO STATE REGISTRATION OF IMMOVABLE PROPERTY RIGHTS

Article 7. Filing an Application

7.1. Citizen or legal entity shall file its application for state registration of rights specified in Article 8 of the General Law on State Registration, to the state registration authority in the territorial jurisdiction of the particular immovable property.

7.2. The application specified in Paragraph 7.1 of this Law may be filed on paper or electronically.

7.3. Head of the state administrative organ in charge of state registration shall approve the template for the application.

7.4. Only one application shall be filed for registration of rights of a common immovable property. One of the co-owners may file an application on behalf of the others.

7.5. Each person who owns a part of a common immovable property shall file an application to have his/her part registered.

7.6. Applicant is entitled to change or withdraw his/her application prior to the registration of the immovable property right in the state registration of rights.

7.7. Applicant is obliged to provide correct and accurate application and supporting documents and he/she shall be liable for damages caused to others due to the violation of this obligation.

7.8. If provided by laws, the supporting documents of the application shall be certified by a notary.

7.9. The parties to the agreement or negotiation shall ensure correctness and accuracy of any agreement, negotiation or document that are not certified by a notary, and be fully responsible for legal consequences thereof.

7.10. Applicant shall certify his/her signature as specified in the Law on Electronic Signature, when filing an online application to register the rights, stated in Paragraph 4.1 of this Law, in state registration of rights.

7.11. The general regulations provided in this Law shall equally apply to filing an online application.

7.12. State registrar shall notify the applicant of the decision on the acceptance or rejection of the online application within the period stated in this Law.

7.13. Online applicant shall deliver original copies of the relevant documents to the state registration authority within 5 working days after the receipt of the notice on registration specified in Paragraph 7.12 of this Law.

7.14. State registrar shall check and review original copies of the documents received at the state registration authority as specified in Paragraph 7.13 of this Law, against the documents submitted online. If there are no grounds for declining to register the rights within the period provided by this Law, it shall be registered and confirmed in state registration database of property rights.

Article 8. Rejection of an Application

8.1. State registrar shall reject an application on the following grounds:

8.1.1. Application was filed in violation of the procedures and requirements stated in Article 7 of this Law;

8.1.2. There are no evidences to prove the applicant's rights stated in Paragraph 7.1 of this Law;

8.1.3. The documents, which should be enclosed to the application in accordance with the procedures provided by laws, are incomplete or altered, or contain contradictory information;

8.1.4. Failure to pay service fee specified in Article 21 of the General Law on State Registration and state stamp duty stated in Paragraph 5.1.40 of the Law on State Stamp Duty⁸;

8.1.5. The grounds stated in the application to register the rights, stated in Paragraph 4.1 of this Law, explicitly differ from the content of the relevant agreement or negotiation;

8.1.6. Validity of the rights stated in Paragraph 4.1 of this Law has expired.

8.2. Unless otherwise provided by laws, it is prohibited to reject an application on the grounds other than those stated in Paragraph 8.1 of this Law.

8.3. If an applicant does not accept the decision of a state registrar which was made in accordance with Paragraph 8.1 of this Law, he/she may file a complaint to a higher level official.

Article 9. Immovable Property Value to be reflected in State Registration of Rights

9.1. Immovable property value to be reflected in state registration of rights shall be determined in accordance with the following order in cases set forth below:

9.1.1. When immovable property right, except for land ownership, is registered for the first time its value shall be set as the price indicated in its order contract. If there is no price indicated in the order contract, the value shall be determined by the approved budget cost;

9.1.2. In case of first time registering land ownership in state registration of rights, its value shall be set as fixed base price provided by a competent authority. If base price is not available, market price provided by the owner;

9.1.3. In case of registering the transfer of an ownership and other related property rights, the price indicated in the agreement, negotiation or decision on the transfer of the right;

9.1.4. In case of registering a price change in state registration of rights, the price determined by an authorized person who appraises properties as provided by laws.

9.2. Applicant shall provide realistic property prices.

Article 10. Initial Registration of Immovable Property Ownership

10.1. Initial registration of immovable property ownership in state registration of rights shall be based on the land parcel number. One file shall be opened on each land parcel and the immovable property right shall be registered as one with the parcel's right.

⁸ The Law on State Stamp Duty, published in "Toriin medeelel" (State Bulletin), Vol.1, 2011.

10.2. Ownership of an apartment or a part of a common immovable property shall be registered in compliance with Paragraph 4.4 of this Law and each part shall have a separate file.

10.3. Initial registration of immovable property ownership in state registration of rights shall include the following information:

10.3.1. Date, number and validity of a decision on land rights;

10.3.2. Parcel number, land size, purpose, address and location;

10.3.3. Land condition and state quality assurance assessment;

10.3.4. Size, purpose and commissioned date and price of immovable property on a parcel;

10.3.5. Immovable property design, water and power sources as described by an applicant;

10.3.6. If the owner of an immovable property is a citizen, family name, surname, given name, registration number. If the owner is a legal entity, the given name, state registration number and registration number;

10.3.7. Application date;

10.3.8. Other information to indicate in the registration in accordance with laws.

10.4. If a co-owner of a common property specifies each share in the application and verification documents, each share shall be indicated in state registration of rights.

10.5. For initial registration of immovable property ownership, whether to register in state registration of rights shall be decided and the applicant shall be notified within 5 working days after the receipt of original copies of relevant documents.

10.6. An application for initial registration of immovable property ownership shall be supported by the following verification documents:

10.6.1. Verification document of ownership;

10.6.2. Decision on the issuance of land ownership;

10.6.3. Land cadastral map registered in the land cadaster database;

10.6.4. Land condition and state quality assurance assessment with respect to the land owned by a citizen;

10.6.5. Construction design and four-sided full image;

10.6.6. Address of the immovable property location issued by a competent authority;

10.6.7. State stamp duty and service fee receipts;

10.6.8. As for a particular immovable property whether an agreement or negotiation was held on its future ownership subject to certain requirements, if such agreement or negotiation took place then their copies, list of client names and their investment.

10.7. If an owner is a citizen, citizen identity card, or if the owner is a legal entity, the state registration information, constituent documents and charter shall be checked and reviewed from the electronic database. If not possible, a copy of the applicant's citizen identity card or the legal entity's state registration certificate shall be obtained and enclosed to the application.

10.8. State registrar shall access the shared database specified in Paragraph 9.11 of the General Law on State Registration to check and review the cadastral information of a parcel.

10.9. The Government shall approve the procedure on registering the rights of state-owned immovable property other than those provided in the Law on State and Official Secrets⁹, in compliance with this Law and other relevant laws.

10.10. If an unfinished immovable property is being constructed by the investment or order of two or more persons, the immovable property shall be registered as a common property or as separately owned parts of co-owners based on the verification documents provided in Paragraph 10.6 of this Law according to the investor or client's application to state registration of rights.

Article 11. Registration of the Transfer of Immovable Property Ownership and other Related Property Rights

11.1. In case of registering a transfer of immovable property ownership and other related property rights, the following information shall be specified in state registration of rights:

11.1.1. Application date;

11.1.2. if an assignee is a citizen, the family name, surname, given name and registration number; if it is a legal entity, the given name, state registration number and registration number;

11.1.3. Name and type of the agreement or negotiation;

11.1.4. if the right is being transferred by the decision of an authorized person, date and number of the decision;

11.1.5. Property value.

11.2. If the immovable property ownership and other related property rights are transferred on the basis of an agreement or negotiation, the original copy of the agreement or negotiation shall be enclosed to the file.

⁹ The Law on State and Official Secrets, published in "Toriin medeelel" (State Bulletin), Vol.11, 2017.

11.3. If an owner, possessor or user is changed based on a court or arbitral decision, a person who will acquire the ownership and other related property rights shall file an application which shall be accompanied with the court or arbitral decision.

11.4. In case of the circumstances provided in Paragraph 11.3 of this Law, a person registered in state registration of rights, whose rights and interests may be affected, shall be notified in writing by the state registration authority.

11.5. A person, who purchased an immovable property through a forced auction, shall submit an application on the transfer of immovable property ownership. The application shall be accompanied with a decision on the transfer of an ownership by auction, an agreement, and if it is taken against the payment obligations as specified in the Law on Mortgaging Immovable Property, the notes on this matter and other relevant documents.

11.6. If the immovable property under mortgage is directly sold without a court decision, sales and purchase agreement; if it is sold by auction without a court decision, the auction record; if it was taken against the payment obligation as provided in the Law on Mortgaging Immovable Property, the notes on this matter and other relevant documents shall be attached to the application.

11.7. Cadastral map with the parcel number, construction design of parts, which will be transferred and kept, that are certified by signatures of the parties to the agreement shall be enclosed to the application, when some parts of immovable property is transferred to others.

11.8. An application by a co-owner of a common property, to transfer his/her parts to others on the basis of an agreement or transaction, shall be accompanied with a document certifying that rights of a person holding prerogative rights are not infringed, if other co-owners refused to purchase the specified part or did not provide an answer within the period set forth in Paragraph 108.7 of the Civil Code.

11.9. If an immovable property ownership is being transferred, the decision to make appropriate changes in state registration of rights shall be taken within 3 working days after the receipt of original copies of the relevant documents and the applicant shall be notified in a written or electronic form. The change shall constitute the ownership right of the new owner.

Article 12. Registration of the Right of a Person Who Acquired Unowned Immovable Property in State Registration of Rights

12.1. A person, who acquired an unowned immovable property, may file an application in accordance with the procedure provided in this Law, to be registered as the owner of the immovable property as specified in Paragraphs 104.1 and 104.2 of the Civil Code.

12.2. If a person, who acquired an unowned immovable property, submits an application as specified in Paragraph 12.1 of this Law, a file shall be opened in state registration of rights and a preliminary record shall be made in accordance with Article 185 of the Civil Code.

12.3. If a person, who acquired an unowned immovable property, registers it in accordance with Paragraph 12.2 of this Law, he/she shall obtain the ownership in accordance with Paragraph 104.2 of the Civil Code.

12.4. If the right of a person, which was registered in accordance with the procedure provided in Paragraph 12.2 of this Law, is transferred to others based on inheritance of rights, the successor shall register the property in state registration of rights.

12.5. If the period specified in Paragraph 104.2 of the Civil Code expires after the registration made by a person, who acquired an unowned immovable property, state registration of rights shall be amended and the ownership shall be registered in accordance with the request by the person who registered the property.

12.6. If a person, who acquired an unowned immovable property, illegally acquired it or if the legal owner of the immovable property was identified within the period specified in Paragraph 104.2 of the Civil Code, the registration shall be amended and the ownership of the legal owner shall be registered.

Article 13. Amendment or Change in State Registration of Rights

13.1. State registration of rights shall be amended or changed in the following cases:

13.1.1. Change in size, price and performance of an immovable property;

13.1.2. Change in address of an immovable property location;

13.1.3. Change in the purpose of an immovable property;

13.1.4. Change in registration number, family name, surname, given name of the immovable property owner or its given name, state registration and registration number as a legal entity;

13.1.5. Change in parcel number;

13.1.6. Change in other information specified in the registration.

13.2. Application for amendment or change in state registration of rights shall be accompanied with the following verification documents:

13.2.1. Application;

13.2.2. Cadastral map which reflects and certifies the change if there is a change in the immovable property size;

13.2.3. An authorized organization's decision, in case of a change in the address of immovable property location;

13.2.4. Construction design and four-sided full image;

13.2.5. Verification documents for other changes, which are submitted for registration;

13.2.6. Receipts for state stamp duty and service fee.

13.3. A state registrar shall access electronic database to check and review while registering a change in owner's registration number, family name, surname and given name. If not possible, copies of the relevant documents shall be obtained from the applicant and attached to the application.

13.4. In case of a change in the territorial jurisdiction of province, capital city, soum and district, in which the immovable property is located, the registration file shall be transferred in accordance with the jurisdiction.

13.5. In case of amendments and changes to state registration of rights based on the grounds specified in Article 13 of this Law, the appropriate changes shall be made and the applicant shall be notified within 3 working days after the receipt of the original copies of the relevant documents.

13.6. If it is considered that there are grounds for declining registration of a change or amendment in the state registration of rights, a state registrar shall respond to the applicant within the period specified in Paragraph 13.5 of this Law.

Article 14. Termination of State Registration of Rights

14.1. State registrar shall close the state registration of rights in the following cases by the decision of the head of state administrative organ in charge of state registration, based on the applicant's request, relevant verification documents and state inspector's conclusion:

14.1.1. Separately registered parts of a common immovable property were transferred to one person by the owners' request;

14.1.2. Two or more than two parcels were combined into one parcel;

14.1.3. Court or arbitral decision was issued;

14.1.4. Immovable property ownership and other related property rights were terminated by the decision of an authorized person;

14.1.5. Duplicate records in state registration of rights;

14.1.6. State registration of ownership right of a particular apartment has been completed as included in the list of apartments built by order;

14.1.7. Immovable property, as a subject of ownership, was demolished.

14.2. Relevant documents for closing state registration of rights shall be enclosed to the file and the state registration number shall be invalidated to terminate the state registration of rights.

Article 15. State Registration of Other Immovable Property Rights Related to Immovable Property Ownership

15.1. The following information shall be provided in the registration form for other immovable property rights related to the immovable property ownership:

15.1.1. Agreement type and a decision that constituted the right;

15.1.2. Information of the parties to the agreement (family name, surname, given name, registration number in case of a citizen; given name, state registration number and registration number in case of a legal entity, as well as family name, surname, given name and registration number of its authorized person);

15.1.3. Agreement tenure;

15.1.4. Agreement value;

15.1.5. Registration date.

15.2. The agreement, which serves as a justification for the registration of rights in state registration of rights as stipulated in Paragraphs 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6, 8.1.7, 8.1.8 and 8.1.9 of the General Law on State Registration, shall be stamped as “registered” and returned to the applicant.

15.3. A state registrar shall make a note on the registration form and attach it to the file.

15.4. Head of state administrative organ in charge of state registration shall approve the template of the form specified in Paragraph 15.1 of this Law.

15.5. If the rights and obligations of the parties were changed, or the agreement was terminated, or the parties to the agreement changed, an amendment to this effect shall be made in state registration of rights.

15.6. If the rights provided in Paragraphs 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6, 8.1.7, 8.1.8 and 8.1.9 of the General Law on State Registration are registered in state registration of rights, it shall be noted in the file.

15.7. Whether to register the rights provided in Paragraphs 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6, 8.1.7, 8.1.8 and 8.1.9 of the General Law on State Registration shall be decided and the applicant shall be notified within 3 working days after the receipt of the application.

Article 16. Registration of Immovable Property Mortgage

16.1. Owner or his/her authorized representative shall submit an application for registration of the mortgage.

16.2. Procedure provided in Paragraph 16.1 of this Law shall equally apply to registration of mortgage, which is arisen on grounds specified in laws, in state registration of rights.

16.3. Order of the registration of mortgages shall be determined by the chronological order of the applications registered in state registration of rights.

16.4. In addition to those provided in Paragraph 15.1 of this Law, state registration of pledge rights shall specify the following information:

16.4.1. Loan amount and interest rate;

16.4.2. Loan agreement number;

16.4.3. Contractually agreed terms to have the requirements fulfilled by the collateral item;

16.4.4. Whether pledge certificate was issued;

16.4.5. Whether the pledge agreement prohibits the right to cross-collateralization.

16.5. An application for the registration of mortgage on state-owned immovable property shall be accompanied with permission by an authorized person specified in the Law on State and Local Property¹⁰.

Article 17. Registration of the Transfer of a Mortgage to Another Person

17.1. The application to register the transfer of a mortgage to another person shall be submitted by the transferee and a state registrar shall make relevant notes in the file.

17.2. Mortgage and requirements serving as its grounds shall be simultaneously transferred to another party and the corresponding documents shall be attached to the application.

17.3. A third party, who satisfied the obliger's demand, is entitled to submit an application to state registration authority to transfer the mortgage under his/her name as specified in Paragraph 172.6 of the Civil Code and the verification documents on fulfillment of the obliger's demand shall be attached to the application.

17.4. Mortgage transfer agreement shall be enclosed to the application specified in Paragraphs 17.1 and 17.3 of this Law.

Article 18. Registration of Transfer of Mortgage to Owner

18.1. If the mortgage is transferred to the owner in accordance with Paragraph 168.1 of the Civil Code, the owner shall terminate the mortgage and remove it from state registration of rights, or keep the registration order and request to transfer it to another person. The request shall be enclosed with an original or a notarized copy of the documents proving the termination of the obliger's demand or refusal from his/her demand.

¹⁰ The Law on State and Local Property, published in "Toriin medeelel" (State Bulletin), Vol.11, 1996.

18.2. If the owner keeps the registration order and submits an application to transfer the mortgage to another person as specified in Paragraph 18.1 of this Law, a state registrar shall record the changes in compliance with the procedure provided in Article 16 of this Law.

18.3. If an owner is liable before a third party for terminating the mortgage, or the immovable property and the mortgage are to be transferred to the same person, he/she shall request preliminary records to this effect. State registrar shall make the preliminary records in state registration of rights in accordance with the procedure provided in Article 31 of this Law.

18.4. The regulations specified in Paragraphs 18.1, 18.2 and 18.3 of this Law shall equally apply to the land owners.

Article 19. Registration of Replacement of Demand Secured by Mortgage with Other Demand

19.1. If an owner and an obligor agreed to replace the demand secured by mortgage with other demand in accordance with Paragraph 165.3 of the Civil Code, the owner shall file an application to register such a change and the application shall be enclosed with the document proving the agreement with the obligor to replace the demand.

Article 20. Registration of Pledge Certificate

20.1. If the pledgee's right is certified by the pledge certificate, pledger or his/her authorized representative shall file an application for registering the pledge certificate in state registration of right.

20.2. State registrar shall record the date, place of the agreement, sign and put a stamp on the pledge certificate. The copy shall be kept in the file, and the pledge certificate shall be registered and returned to the pledgee within 3 working days.

20.3. The amendment to the pledge certificate shall be registered based on pledger's application and a state registrar shall certify the enclosure reflecting the amendment and attach it to the file.

20.4. If a new pledge certificate was issued as specified in Paragraph 17.1.2 of the Law on Mortgaging Immovable Property, the old pledge certificate shall be stamped as "invalid" and returned. The invalidation of the registration of such pledge certificate shall be recorded in the file and the new pledge certificate shall be registered in accordance with the procedure provided in this Law.

20.5. The pledge certificate which is to be re-issued in accordance with Paragraph 19.1 of the Law on Mortgaging Immovable Property shall be signed and stamped by a state registrar for return. The re-issuance shall be recorded in the file and the copy shall be attached to the file.

Article 21. Registration of Termination of Pledge Right

21.1. Pledge right shall be terminated on the basis of the request of its legal owner or that of pledgee or a decision by court or arbitration.

21.2. Pledge right certified by the pledge certificate shall be terminated by registering such termination in state registration of rights, and it shall be recorded in the file.

Article 22. Registration of Immovable Property Rent

22.1. The right to rent shall be registered on the basis of the application by a lessee or lessor in accordance with the procedure provided in Paragraph 15.1 of this Law.

22.2. The application shall be accompanied with an authorized person's decision and rent agreement and the following information shall be reflected in state registration of rights in addition to those specified in Paragraph 15.1 of this Law:

22.2.1. Rent area;

22.2.2. Rent purpose.

Article 23. Registration of Servitude

23.1. Application for the registration of servitude shall be submitted either by an owner or a person entitled to the servitude and shall be registered in accordance with the procedure set forth in Article 15 of this Law.

23.2. If public servitude is established on the land under the ownership of a citizen as specified in Paragraph 33.1 of the Law on Allocation of Land to Mongolian Citizens for Ownership, the application shall be accompanied with a soum or district governor's decision on the establishment of public servitude.

Article 24. Registration of Usufruct

24.1. Usufruct shall be registered based on an application by its possessor in accordance with the procedures set forth in Article 15 of this Law.

24.2. If a possessor of usufruct is to pledge or rent the immovable property, it shall be registered in state registration of rights as specified in this Law and the application shall be accompanied with a notarized copy of its possessor's consent specified in Paragraph 152.2 of the Civil Code.

Article 25. Registration of Right to Construct Buildings and Facilities on Other's Land

25.1. Right to construct buildings and facilities on other's land (hereinafter referred to as "right for construction") shall be registered based on the application by a person who acquired the right or his/her authorized representative in accordance with the procedure provided in Article 15 of this Law.

25.2. In addition to those specified in Paragraph 15.1 of this Law, the following information shall be reflected in state registration of the right for construction:

25.2.1. Validity and purpose of the right for construction;

25.2.2. Construction site size;

25.2.3. Note of transfer or pledge of the right for construction to other's ownership, possession or usage.

25.3. An amendment shall be made state registration of rights in accordance with the procedure provided in this Law, if the right for construction is being succeeded, pledged, sold or administered for other purposes.

25.4. The ownership for buildings and facilities constructed based on the right for construction shall be registered in state registration of rights in accordance with Article 10 of this Law.

Article 26. Registration of the Right to Financial Leasing of Watercraft and Aircraft

26.1. Right to the financial leasing of watercraft or aircraft shall be registered in state registration of rights based on the application of a party to the agreement or its authorized representative, as well as watercraft and aircraft financial leasing agreement.

26.2. Procedure set forth in Article 15 of this Law shall apply to the registration of the right to watercraft and aircraft financial leasing in state registration of rights.

Article 27. Registration of Guarantee Agreement

27.1. Guarantee agreement shall be registered based on the application filed by an owner or guarantor for registration in accordance with the procedure set forth in Article 15 of this Law.

Article 28. State Registration of Land Possession and Land Use Rights

28.1. Land offices of province, capital city and districts, and land officer of soums shall enter the following information in the shared database specified in Paragraph 9.11 of the General Law on State Registration, send online applications for the registration of land possession and land use rights in state registration of rights and shall also be responsible for the accuracy of the application:

28.1.1. Land possession and land use right certificate;

28.1.2. Land possession and land use agreement;

28.1.3. Governor's decision on land possession and land use;

28.1.4. Land cadastral map;

28.1.5. Decision and agreement that established servitude on other's possession and use;

28.1.6. Agreement on using land with limited rights;

28.1.7. Agreement on transferring land possession right to others;

28.1.8. Decision or agreement on replacement or reclaim of land for state special needs with compensation;

28.1.9. Administrative and territorial jurisdiction units of the land.

28.2 The state registration authority shall carefully review the information specified in Paragraph 28.1 of this Law and contained in the shared database stated in Paragraph 9.11 of the General Law on State Registration and register the land possession and land use rights in state registration of rights.

28.3. The state registration authority shall enter the state registration number of land possession and land use rights in the shared database referred to in Paragraph 9.11 of the General Law on State Registration.

28.4. Paragraphs 7.11, 7.12, 7.13 and 7.14 of this Law shall not apply to the registration of land possession and land use rights in state registration.

28.5. Land offices of province, capital city and district and land officer of soums shall make note of the state registration number provided in Paragraph 28.3 of this Law on the land possession and land use rights certificate.

Article 29. Refusal of Registration in State Registration of Rights

29.1 A state registrar shall refuse to register the application in state registration of rights and return it together with its supporting documents on the following grounds:

29.1.1. The right, specified in the application for registration, refers to the banned rights or restrictions set by special records as stated in Article 30 of this Law;

29.1.2 The pending registration after the preliminary records is likely to terminate or damage the claim of a person whose right is protected by the preliminary records pursuant to Paragraph 185.4 of the Civil Code or consent is not obtained from a person who had preliminary records made;

29.1.3. Inconsistency between the application and its supporting documents or the content is in violation of the relevant laws and regulations;

29.1.4. Online applicant has not verified his/her signature as provided in the Law on Electronic Signature;

29.1.5. If the dispute regarding the ownership and other related property rights is being reviewed by court;

29.1.6 Other grounds provided in laws.

29.2. A state registrar shall notify the applicant of the refusal to register and shall clearly state the grounds for refusal in the response.

29.3. If an applicant disagrees with the state registrar's decision specified in Paragraph 29.1 of this Law, a complaint may be filed in accordance with the procedure provided in the General Administrative Law¹¹.

CHAPTER THREE SPECIAL AND PRELIMINARY RECORDS IN STATE REGISTRATION OF RIGHTS

Article 30. Special Records in State Registration of Rights

30.1. Special records shall be made in state registration of rights in the following cases:

30.1.1. In case of a court decision, which found the owner to be legally incapable or missing, or pronounced him/her deceased, becomes legally effective;

30.1.2. Court decision on bankruptcy of a legal entity;

30.1.3. Court decision on administering the execution of obligations by the property;

30.1.4. Decision by the court, arbitration, prosecutor or court decision enforcement agency to restrict the owner's right;

30.1.5. Sale or transfer of collateral to the ownership of pledgee on the grounds provided in the Law on Mortgaging Immovable Property;

30.1.6. Request for special records, specified in Paragraph 14.4 of the Law on Asset-backed Securities¹²;

30.1.7. Decision by a state inspector in relation to the duplicated records or counterfeit documents in state registration.

30.2. An amendment shall be made in state registration of rights based on the application by an assignee, if a special record was made on the grounds specified in Paragraph 30.1.1 of this Law.

30.3. An amendment shall be made in state registration of rights based on the request by a trustee of a bankruptcy case, if a special record was made on the grounds specified in Paragraph 30.1.2 of this Law.

30.4. An amendment shall be made in state registration of rights based on the decision of an authorized official of court decision enforcement authority, if a special record was made on the grounds specified in Paragraph 30.1.3 of this Law.

30.5. If a special record was made on the grounds specified in Paragraph 30.1.4 of this Law, it shall be invalidated by a decision of an authorized person.

¹¹ The General Administrative Law, published in "Toriin Medeelel" (The State Bulletin), Vol.28, 2015.

¹² the Law on Asset-backed Securities, published in "Toriin Medeelel" (The State Bulletin), Vol.20, 2010.

30.6. If a special record was made on the grounds specified in Paragraph 30.1.5 of this Law, amendments shall be made in state registration of rights based on the following documents:

30.6.1. If a collateral item is sold, a buyer's application and a state inspector's conclusion;

30.6.2. If a collateral item is transferred to a pledgee in accordance with the procedure provided in laws, a pledgee's application and a state inspector's conclusion.

30.7. Amendment shall be made in state registration of rights based on Paragraph 14.6 of the Law on Asset-backed Security, if a special record was made on the grounds specified in Paragraph 30.1.6 of this Law.

30.8. Amendment shall be made in state registration of rights based on the decision by a competent authority or a state inspector, if a special record was made on the grounds specified in Paragraph 30.1.7 of this Law.

30.9. Special record shall be made by a decision of an authorized person specified in Paragraph 30.1 of this Law and such special record shall not prevent the owner from exercising his/her rights other than the ones restricted by the special record and having other registrations made.

Article 31. Preliminary Records in State Registration of Rights

31.1. Preliminary records may be made in state registration of rights in order to protect the rights and interests of an owner, possessor, user, assignee and successor.

31.2. If the ownership of unfinished building is registered in state registration of rights, citizens or legal entities (contractee) which invested in the building may request for preliminary records.

31.3. Owner, possessor, user and assignee shall file an application jointly for preliminary records and copies of agreements, negotiations and other relevant verification documents shall be enclosed.

31.4. Preliminary records, requested by a testator's application, shall be based on the reference letter of a notary who certified the will.

31.5. The procedure provided in Paragraph 15.6 of this Law shall apply to making preliminary records in state registration of rights.

31.6. Person who acquired unowned immovable property may have preliminary records made in accordance with Article 185 of the Civil Code.

Article 32. Termination and Invalidation of Preliminary Records

32.1. If the conditions of the preliminary record are met or an assignee acquires the immovable property, the preliminary record shall be terminated.

32.2. The preliminary records shall be invalidated in the following cases:

32.2.1. The assignee's failure to fulfill his/her obligations was proved by evidences;

32.2.2. The assignee accepted the demand made by an owner, possessor or user with respect to losing his/her opportunity to use the immovable property for a long period of time due to the preliminary records pursuant to Paragraph 185.5 of the Civil Code.

32.2.3. Cancellation of a will by a testator.

CHAPTER FOUR PROVIDING OR OBTAINING INFORMATION TO/FROM STATE REGISTRATION OF RIGHTS

Article 33. Provision of Information

33.1. A notary shall carry out the following activities related to the state registration of immovable property rights upon concluding an agreement with the state administrative organization for state registration matters:

33.1.1. Ensure that an application and relevant documents submitted to the state registration authority by an applicant comply with legal requirements, send them to state registration database at the applicant's request, and act as an intermediary for registration;

33.1.2. Acquire information, required for providing intermediary services in the delivery and registration of application specified in Paragraph 33.1.1 of this Law, from the state registration electronic database, and use it within the scope provided in this Law and the agreement.

33.2. A notary shall ensure the accuracy of the application and its supporting documents and shall be fully responsible for the legal consequences thereof, when providing services to an applicant.

33.3. Government member in charge of state registration shall approve the operating procedure of the notary specified in Paragraph 33.1 of this Law, the agreement template specified in Paragraph 35.1 of this Law, training specified in Paragraph 34.1.5 of this Law and user fee of the database specified in Paragraph 35.1.3 of this Law.

Article 34. Requirements for Delivery of Information by a Notary

34.1. The notary shall meet the following requirements to be engaged in the delivery of information:

34.1.1. Create the necessary conditions to ensure confidentiality of a customer provided by law and information security;

34.1.2. Availability of workplace, hardware and software for operation;

34.1.3. Availability of storage facility for archive documents in accordance with relevant standards and requirements;

34.1.4. Being provided with guidelines, instructions and methodologies necessary for operation;

34.1.5. Participation in training.

34.2. State administrative organ in charge of state registration shall organize the training stated in Paragraph 34.1.5 of this Law.

Article 35. Conclusion of Agreement with a Notary

35.1. State administrative organ in charge of state registration shall conclude an agreement on delivering and obtaining information with a notary, who makes a request and meets the requirements under Paragraph 34.1 of this Law. The agreement shall include the following:

35.1.1. Operating procedure on obtaining and using information from the state registration electronic database and ensuring its security and reliable operation;

35.1.2. Rights and obligations of the parties;

35.1.3. User fee of state registration database;

35.1.4. Procedure on resolving damages caused to others due to violation of the procedure on delivering and obtaining information;

35.1.5. Agreement tenure, conditions and procedures for termination and cancellation of the agreement;

35.1.6. Other conditions.

35.2. The right to access the electronic database, scope of information, restrictions and other relevant issues shall be governed by the agreement on delivering and obtaining information.

Article 36. Obtaining Information from Electronic Database

36.1. Notary, who received information from state registration of rights, shall use it for the purposes specified in the laws and agreement. Its usage or transfer to others in ways that may damage the rights and legitimate interests of the owner is prohibited.

36.2. Property owner is entitled to obtain information from the electronic database for free on his/her property registered in state registration of rights.

36.3. State registration authority is responsible for ensuring the owner's right to obtain information stated in Paragraph 36.2 of this Law.

CHAPTER FIVE MISCELLANEOUS

Article 37. Liability Insurance of State Registrar

37.1. If a competent authority determines that a state registrar made a professional error by entering inaccurate information into registration and caused damages to an owner, possessor or user or other right holders, the liability insurance shall be used to compensate for the damages.

37.2. The state central administrative organ in charge of legal matters shall be responsible for selecting an insurance company for liability insurance of state registrars.

37.3. Liability insurance fee of state registrars shall be covered by the Government.

Article 38. Liabilities for Violation of the Law

38.1. If an act by an official in breach of this Law is not criminal in nature, liabilities specified in the Law on Civil Service shall be imposed.

38.2. A person or a legal entity that violates this Law shall be subject to liabilities under the Criminal Code or the Law on Violation.

Article 39. Effective Date of the Law

39.1. This Law shall come into force on the effective date of the General Law on State Registration (Revised Edition).

**M.ENKHBOLD
CHAIRMAN OF THE STATE GREAT KHURAL
OF MONGOLIA**