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# FEATURES OF STOCK EXCHANGE TRANSACTIONS IN UKRAINE

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## **Abstract**

The purpose of the work is to define the concept of exchange transaction, regulations for the conclusion of an exchange agreement, which legal documents regulate exchange transactions, stages and characteristics of the conclusion of agreements. Issues related to the conclusion of exchange agreements, which are basically the main content of exchange operations, have been considered. Also covered in this study were the areas of bartering trade, which are drawn up in accordance with the legislation in force and are the main document regulating the procedure for conducting bartering operations, conducting bartering operations and resolving disputes.

**Keywords:** exchange transaction, agreement, offer, acceptance, exchange, contract, commodity exchange, auction.

## **Introduction**

The conclusion of exchange agreements is the main content of exchange operations. The terms “exchange transaction” and “agreement” are sometimes mistakenly considered equivalent. An exchange operation should be considered as a set of actions and procedures for the preparation, execution and registration of an exchange transaction. Exchange operations may be carried out only by members of the exchange or by citizen brokers registered with the Exchange in accordance with its statutes in order to fulfil the instructions of the members of the exchange they represent for the performance of exchange operations. The result of a stock transaction is a stock transaction recorded by the stock exchange.

Bartering trade rules are drawn up in accordance with the legislation in force and are the main document governing the procedure for conducting bartering operations, conducting bartering operations and resolving disputes on these issues. The rules are binding on exchange members, exchange trading participants, exchange employees and persons whose presence is permitted in the trading and operating rooms and on the exchange’s electronic platform in

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accordance with these rules, internal documents of the exchange. exchange (rules, regulations, regulations, which are annexes to these rules) and the current legislation of Ukraine;

### **Data, results and discussions**

Exchange operations combine the conclusion of exchange agreements and the provision of services by the stock exchange during their conclusion and registration.

The exchange contract must meet the following conditions:

- in the case of purchase and sale of goods listed on the stock exchange, the delivery and exchange of goods;
- if its members are members of the scholarship;
- if it is submitted for registration and registered on the stock exchange no later than the day following the transaction.

Transactions listed on the stock exchange are not subject to notification by a notary public. The content of the exchange agreement (excluding the name of the product, the quantity, the price, the place and the time of execution) is not advertised. This information can only be obtained at the written request of the court, the prosecutor, the security services, the internal affairs and the audit organizations in the cases provided for by the legislation of Ukraine. The agreement shall be deemed to have been concluded at the time of its registration on the stock exchange. The agreement shall be deemed to have been concluded from the moment of its registration on the stock exchange. Items with individual characteristics should not be marketed unless they are sold in lots and any second-hand goods, including cars and assets. This limitation does not apply to property expropriated from a tax law right or to property confiscated under the law.

Rules of trading with shares. The rules of share trading are developed in accordance with the legislation in force and are the main document governing the procedure for conducting transactions in shares, conducting stock trading and resolving disputes on these issues. The rules of trading with shares define:

- the term and place of exchange transactions;
- the composition of the participants in stock trading and the set of requirements related to them;
- the procedure for performing and recording transactions with shares;
- the determination procedure and the amount of fees for the use of the exchange services;
- the liability of exchange participants and employees for failure to comply with or improper fulfilment of the rules of exchange trading;
- other provisions established by the management bodies of the exchange.

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The Commodity Exchange is an organization that brings together legal entities and individuals engaged in production and trade activities, and aims to provide services for the conclusion of exchange agreements, determining the prices of goods, the supply and demand of goods, the study, organization and facilitation of trade and transport.

The following are prohibited on the commodity exchange:

- the purchase and sale of goods (contracts) by a person directly or through proxies in order to influence the dynamics of prices;
- any agreed shares of exchange trading participants which have as their purpose or may result in the modification or setting of the current prices of the shares;
- the dissemination of false information that can lead to an artificial change in the situation.

#### **Exchange agreements: stages and features of the conclusion**

The general rules for the conclusion of contracts on a voluntary basis, taking into account the normative acts governing the activities of the relevant stock exchanges, fairs and public auctions, apply to the conclusion of business contracts on stock exchanges, wholesale fairs and public auctions.

**The first stage** - the acceptance of the offer. On the Ukrainian stock exchanges, a proposal for the conclusion of a contract (offer) is an announcement by the leader of the stock exchange (broker) of a request by a member of the commodity exchange for the sale or purchase of goods. The tender must contain all the essential terms of the contract and express the intention of the person to consider himself obliged in the event of acceptance of the offer. When concluding a stock exchange agreement on a commodity exchange, the offer is subject to quite strict requirements, established both at the level of legislation and in the local regulatory acts of commodity exchanges.

The first requirement is sufficient certainty of supply. This requirement assumes that any participant in the trading of shares is able to draw a correct conclusion about the will of the bidder. This is especially important for stock trading, when the moments of acceptance and offer are extremely close.

The second requirement concerns the direction of the offer: it must express the intention of the bidder to consider himself as the one who concluded the contract under the conditions specified in the contract with the addressee, if the latter accepts the offer.

The third requirement is the content of the offer. The law defines that the offer includes all the essential terms of the contract.

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The fourth requirement is the addressability of the offer. The content of the addressability of the offer when concluding an exchange agreement on the commodity exchange consists in the fact that this offer is addressed to specific persons - members of the commodity exchange and brokers, who are participants in trading on the exchange and are in operation (trading) the exchange room during exchange trading. At the same time, the first of the participants in trading with shares that responds to the offer, accepts it and thus withdraws the offer. Thus, it can be concluded about the unique nature of the tender at the conclusion of the exchange contract, and its absorption by the concluded contract. At the same time, it is worth paying attention to the fact that when concluding a stock exchange contract there are a multitude of recipients of the offer, which has the character of a certain multiplicity.

**Stage II: acceptance.** The second stage is the acceptance of the offer by the other party - acceptance. When the host announces the offer to the seller or buyer, the participants confirm their willingness to conclude a contract by increasing the registration number, which can be considered as a reaction to the acceptance of the offer - acceptance. In any event, the response of the person who is the offer to conclude the contract, after its acceptance, must be complete and unconditional.

The rules of commodity exchanges on many commodity exchanges in Ukraine provide that after the announcement of the offer, bidders have the right for a certain time to agree on the terms of the transaction by professional voice and gestures. However, it should be borne in mind that the other party (the acquirer) often agrees in principle to enter into an agreement and sets out its terms. So, in this case, the parties change their place: the recipient becomes the participant, and the participant becomes the recipient. In this case, the new tender shall require the agreement of the former tenderer.

Auctioning as a method of concluding an agreement. Auction - a method of public sale, on the market, of goods, based on the purchase of offers; a specialized market for the commercial sale of various goods that operate permanently or periodically. A sale at auction may be forced, organised for the sale of the property of an unjust debtor, and voluntary, organised by the seller, carried out through an organisation which is directly authorised to do so. When conducting an auction, you can enter into various economic agreements (purchase and sale of assets in the process of privatisation, purchase of products for state use, rental of assets for production purposes, during the construction of capital, for the right of membership above others). Public auctions that provoke the strengthening of the debtor's assets are opened at the auction provided for by the rules of the auction procedure (public auction) for

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the sale of collaterals, approved by the Cabinet of Ministers of Ukraine. The peculiarity of such an operation is that it is not provoked by the initiative of the owner of the building (or a body authorized by him), but only by a subordinate person provided for by the legislation in force - during the implementation of alternative legislation - in accordance with the Ukrainian law "On protection" in court - especially from Ukrainian law "On enforcement".

### **Conclusions**

The stock market as a product of market relations has gone through a long way of evolving from the wholesale market to the futures market. Sustained rates of high growth in turnover on the stock exchange, the emergence of new functions, the involvement of all new areas of the economy in stock trading indicate great opportunities for its further development.

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