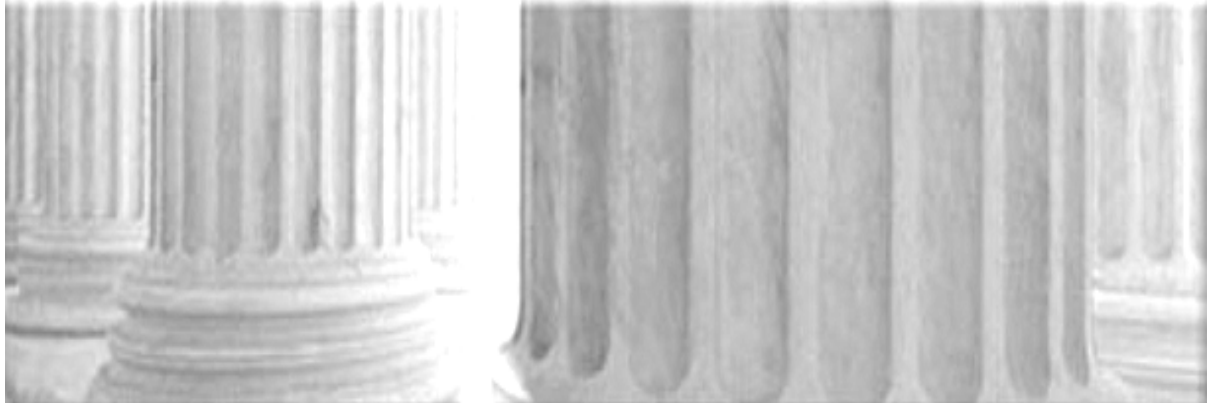




REPUBLIC OF BULGARIA



CHAMBER OF PRIVATE ENFORCEMENT AGENTS



**A N N U A L R E P O R T
2 0 1 4**



Distribution and number of private law enforcement agents /164/ within the territory of the Republic of Bulgaria as per legal areas of action in 2014

Blagoevgrad	6	Lovetch	2	Smolyan	1
Burgas	12	Montana	2	Sofia City	37
Varna	10	Pazardzhik	8	Sofia District	4
Vidin	1	Pernik	4	Stara Zagora	10
Veliko Turnovo	6	Pleven	6	Targovishte	2
Vratsa	3	Plovdiv	15	Haskovo	3
Gabrovo	4	Razgrad	2	Shumen	4
Dobritch	5	Ruse	4	Yambol	1
Kardzhali	2	Silistra	2		
Kyustendil	4	Sliven	4		

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ADDRESS OF THE CHAIRPERSON



Dear Colleagues,

This General Assembly faces two important questions: to make a report on our activities during the past year and to choose a new governance of the Chamber. These issues are interrelated. The objective, real, constructive and critical dialogue on today's issues facing the Chamber, which are quite a lot, will allow the new governance to properly outline the priorities, objectives and in particular the actions and mechanisms for their quality solution in the next three years.

Beyond any modesty, I would like to say that disputes transparency and constructive dialogue have been the characteristics of the performance and behaviour of the Chamber's governance over the past three-year period. Creative atmosphere is undoubtedly due to the joint efforts of all colleagues who have responsibly joined our common affairs and initiatives. Unfortunately, systematic violations by some of the private enforcement agents (PEAs), the deviations by some law firms from established procedures and legal order have pushed us to an extremely uncomfortable, unpleasant and unprofitable position in defending the interests of private enforcement in numerous disputes with representatives of the government, businesses, creditors and debtors.

I thank all colleagues who have devoted part of their time to work together for the common cause, the future of the Chamber, for the future of our profession. It is no secret that the past reporting period was full of victories and defeats, disappointments and successes. Let me mention just a few of them: we have defeated certain lobby attempts to de-harmonize the legislative framework; we have set ourselves higher standards of professionalism; we have introduced modern technologies in our activity; we are strengthening the monitoring of law offices; we are drafting rules of good practice on disciplinary responsibility. And last but not least, we have done our best to establish legality and justice as the fundamental principles in our daily activities. We have been trying to formulate and affirm clear criteria to be imposed as a form of behaviour of all private enforcement agents (PEAs). In other words, to work within the law. The Chamber's agenda was determined not only by the complex political environment, the economic crisis and the serious social reality in our country today, but also by the morality and the will of the Chamber's governance.

So I thank all who have stood next to me, to everyone who have supported me. The Chamber's future is in our unity. And that's not a cliché, but perfect wisdom. It should develop, build and organize the activities of the Chamber. In every moment of its life things happen that demand a solution - and to find it we should consult all.

Be united! This is my appeal!

I believe that by pooling efforts we will achieve a lot. I believe that the General Assembly will take place in an atmosphere free of controversy and in a constructive dialogue.

Wish you success in your work!

VALENTINA IVANOVA,
CHAIRPERSON OF THE BOARD OF
THE CHAMBER OF PRIVATE ENFORCEMENT AGENTS

A handwritten signature in blue ink, appearing to read 'Valentina Ivanova', written in a cursive style.

1. GENERAL REVIEW OF THE PRIVATE LAW ENFORCEMENT SYSTEM

Private enforcement operates in Bulgaria since 2006. The main reasons for its introduction by a special law after a political consensus support from the judiciary and the approval of the banks and all business organizations are:

- hundreds of thousands of outstanding judgments, which leads to inefficiency of the judicial system;
- sharp criticism from Europe and numerous judgments against Bulgaria at the Court in Strasbourg;
- law enforcement functioning in Bulgaria is inadequate to the dynamic processes in the economy and higher intercompany indebtedness;
- economic losses due to inefficient state enforcement exceed BGN 3.5 billion;
- lost fiscal income is estimated at tens and hundreds of million BGN;
- existing forceful and illegal debt collection for 20-50% commission fee;
- there is universal understanding among citizens and businesses that the rules do not apply to all and can be neglected, which calls for changes with a strong preventive effect.

The law enforcement reform is carried out with the support of **United States Agency for International Development (USAID) and the Institute for Market Economics**.

The World Bank described the law enforcement reform and the implementation of private enforcement agents as one of **the 10 most successful reforms in the World for 2006**.

At the end of 2014, a total of **164** PEAs offices functioned in the country, with over 2500 employees.

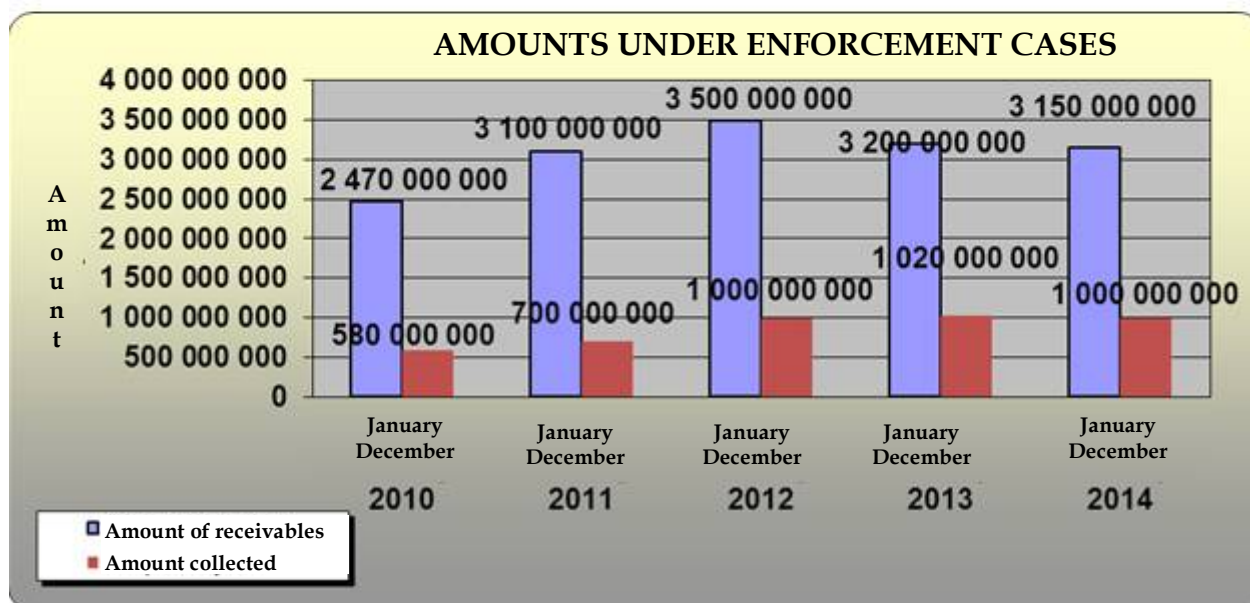
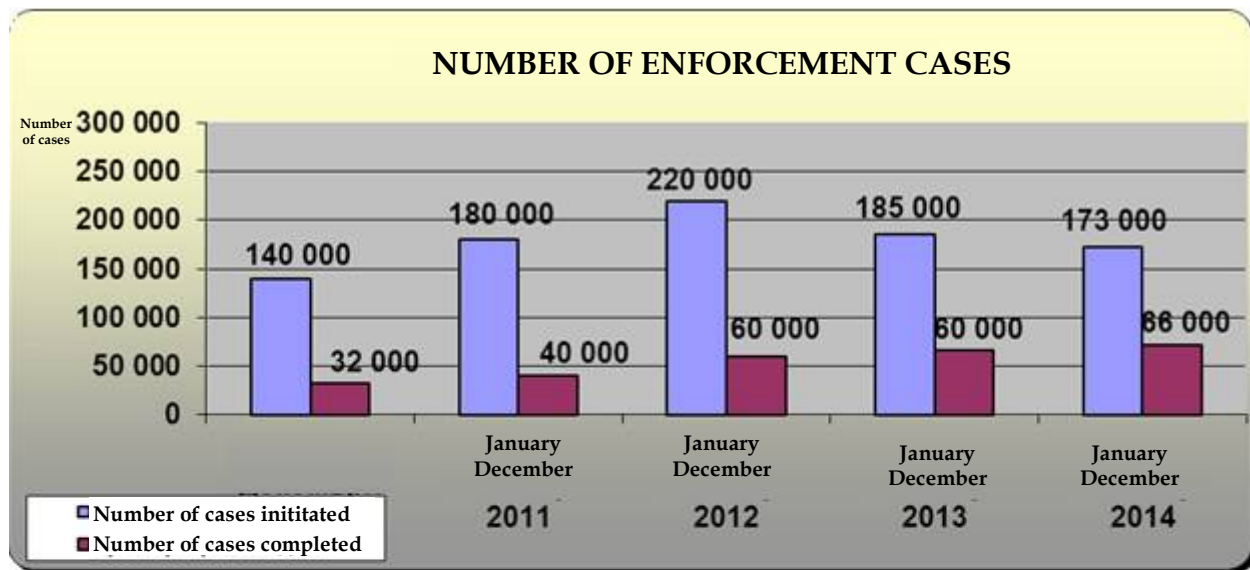
The PEAs system has clearly demonstrated its effectiveness as an alternative to public law enforcement, which employs 222 state enforcement agents. For the period 2007-2013, recoveries in enforcement cases of public enforcement, which cost the taxpayer BGN 42 million, during the time of their parallel existence with the PEAs, amounted to BGN 369 million. For the same period, the amount recovered by PEAs amounted to BGN 4,525 billion.

The status and development of the system of private enforcement in figures for the last five years is as follows:

<u>Initiated cases:</u>	<u>Completed cases:</u>	<u>Amounts collected:</u>
2010 - 140,000	2010 - 32,000	2010 - 580 million
2011 - 180,000	2011 - 40,000	2011 - 700 million
2012 - 220,000	2012 - 60,000	2012 - 1 billion
2013 - 185,000	2013 - 66,000	2013 - 1,135 billion
2014 - 173,000*	2014 - 72,000*	2014 - about 1 billion

*** Remark:** Data for 2014 are estimates, since they are still being collected and summarized.

For nine years since the inception of private law enforcement in Bulgaria, **1,189 million cases** were initiated, **352,000 cases** were closed and the total amount collected exceeds **5,410 billion**.



*** Remark:** The collectible amounts are indicative. Some law enforcement offices do not use document flow processing software, while others have started to enter information in their systems at different times over the years. Therefore, the amount due for recovery should be considered conditional.

In 2014, complaints submitted through Private Enforcement Agents (PEAs) to district courts total approximately 4400, including nearly 470 upheld by the relevant court.

The majority of Private Enforcement Agents (PEAs) in Bulgaria has authorized their assistants - currently 148 Assistant Private Enforcement Agents (PEAs) work throughout the country. Customers of the PEAs are not only companies, banks and businesses in general, but Bulgarian citizens with claims as civil relations and for wages,

allowances and child transfer. Given that fees for those debts are not paid by the creditors, but have to be paid from the budget of the relevant court, but that does not happen, in fact PEAs finance on their own such cases, which is a considerable amount. Law offices use modern technology in secretarial work. Access to information on debtors, a significant part of which is now received electronically, ensures speed, which is key for the process.

Only in 2013, PEAs have contributed to the country's economy BGN 1,135 billion, **including nearly BGN 200 million revenues for the state budget**. For the period June 2006 - June 2014, the figure is BGN 5,035 billion.

Data on collectibility show a 12% increase in 2013 compared to 2012. Since 2009, amounts collected by PEAs have steadily increased, and the increase in 2014 compared to 2010 is nearly twofold.

In 2013, the total number of cases initiated is 185,000 versus BGN 173,000 in 2014. Of all the cases, the majority are those in favour of business, followed by cases in favour of the banks. Quite a number of cases are in favour of citizens. Three-quarters of cases brought to the state are public claims, and the rest are private claims.

The number of law enforcement cases has been declining for the second consecutive year, according to statistics of the Chamber of Private Enforcement last year. While in 2006 cases have been steadily increasing by 20% every year, then in 2013 it was the first year when the trend reversed and a decline of 16% was reported over 2012. For 2014, this trend continued with further downward movement of more than 7%. In summary, on average for the past two years the number of newly registered cases posted a decrease of 21%. **This is indicative of the fact that the worst stage of the crisis is over and the country has been reviving economically.**

The number of properties sold has also been declining - from 7000 to about to 6500 in 2014 (data of the last reporting period are not definitive, since the statistics are still being summarized). This figure includes hotels, unfinished buildings, plots, commercial properties, houses, apartments, garages and agricultural lands. It is important to note that actual sales are less in number, since in the event of sale of a building the national statistics takes into account each piece of it - garage, parking, office, etc.

The activity of Private Enforcement Agents (PEAs) has directly benefited the Treasury, because so far they have contributed to the state budget nearly **BGN 500 million** collected from public receivables, VAT from public sale and enforcement fees, taxes and social security on the activities of law offices. Indirect financial revenue from the rapid and efficient enforcement for businesses and the economy, and hence for the budget, it is difficult to estimate. According to creditors and as evidenced by the statistics on new cases, private law enforcement is the most effective system of law enforcement in the country and numerous state bodies and municipalities, including the largest ones, assign thereupon the collection of public receivables.

Private law enforcement in Bulgaria meets all European criteria regarding a modern, legal and effective business practice.

2. BACKGROUND OF THE CHAMBER

Since its inception on November 26, 2005 the Chamber of Private Enforcement Agents (CPEA) has succeeded, despite many difficulties created by opponents to reforms, to establish itself as a good partner for both Bulgarian and international institutions, while striving to introduce high standards of professionalism and Code of Ethics for Private Enforcement Agents (PEAs), while maintaining effective working relationships with public authorities and institutions, and offering a wide range of services in support of its members. The Chamber has purposefully made efforts to keep active relationships with the general public and media, aimed at promoting and raising the profile of the private enforcement agent's professions.

PEAs operate in the territory of all district courts in the Republic of Bulgaria, which are currently 164, including 82 men and 82 women. At the end of 2014, the Minister of Justice by Order No. LS-I-1077 dated October 20, 2014 called a contest for PEAs for 68 new vacancies nationwide. The written exam is to be held on February 14, 2015.

During the reporting period, no private enforcement agents (PEAs) who have lost their powers of any of the grounds specified in the Private Enforcement Agents Act. A private enforcement agent for the area of District Court of Montana had its powers restored after serving a sanction under Article 68, paragraph 1, subparagraph 4 - deprivation of legal capacity for a period of one year.

Each member of the Chamber of Private Enforcement Agents has its personal dossier properly kept at the administrative office of the Chamber. Dossiers are sorted in an ascending order by registration number of Private Enforcement Agents (PEAs) and are regularly updated, while data from the notice of any change in the circumstances under the Private Enforcement Agents Act (PEAA) are entered into the Register of Private Enforcement Agents - both in electronic and paper versions.

The governance of the Chamber is executed by a Board of eleven primary and one alternate member, while the administrative management is entrusted to a team of four employees on permanent employment contract and four employees on civil contract. The Chamber of Private Enforcement Agents (CPEA) is financially independent and receives no funding from the state.

3. REVIEW OF THE CHAMBER'S ACTIVITY

In order to outline an objective picture and properly assess the reporting period, this year the Chamber has held its traditional survey among its members Private Enforcement Agents (PEAs) concerning fundamental aspects of our business. The assessment form included questions about the Chamber's services provided to members, their quality, activities by the Chamber's governing bodies and organisational skills of management staff.

This year only $\frac{1}{4}$ of the total number of private enforcement agents responded to our assessment questionnaire. We sincerely thank all colleagues who participated in the survey and were very objective and critical in their personal assessment as members of the industry, as it is important for management of the BCPEA and the administration with a

view to correcting and improving activities in future periods. The summary of answers filled in the questionnaires has produced the following results:

Please, assess the Chamber's the activities, according to its contribution to your work and its usefulness in response to your needs and expectations	Below the expectations (1-3) Beyond the expectations (4-6)	
	Average score	Percentage of satisfied expectations
Are you satisfied with the activities of the Chamber of Private Enforcement Agents as your professional organisation?	5.00	83.33%
How do you assess the services rendered by the Chamber?	5.07	84.52%
Administrative services	5.36	89.29%
Trainings	4.76	79.27%
How do you assess the governance of the Chamber of Private Enforcement Agents?	4.91	81.82%
Activities	4.88	81.30%
Readiness to communicate with its members	5.10	84.96%
Communication with the media	4.33	72.08%
How do you assess the administrative staff of the Chamber of Private Enforcement Agents?	5.63	93.86%
Activities	5.53	92.25%
Communication with the members	5.63	93.80%
In due time	5.56	92.64%
To the extent needed	5.53	92.25%
Overall attitude	5.62	93.65%
Overall assessment of the Chamber's activities according to the needs, expectations and usefulness to its members	4.92	81.98%
What is the quality of materials produced by the Chamber of Private Enforcement Agents?	5.08	84.62%
Website	5.02	83.73%
Register of Debtors	5.14	85.71%
Register of Public Sales	5.22	86.99%
How do you assess the training organised by the Chamber of Private Enforcement Agents?	4.77	79.49%
Lecturers	4.70	78.33%
Content of educational materials	4.69	78.21%
Quality of training materials	4.68	77.92%
Price	4.62	76.92%
Number	4.65	77.50%
Public Relations		
Overall contacts with media	4.18	69.74%

Number of articles published about private enforcement agents (PEAs) in media	4.08	67.95%
Quality of media coverage and their effect on the profession of Private Enforcement Agents (PEAs)	4.03	67.09%
Interaction with the institutions	4.14	68.92%
Computerization of law enforcement procedures	4.21	70.09%
Improving the institutional environment for the work of Private Enforcement Agents (PEAs)	4.03	67.08%
How do you assess your personal participation and contribution to the activities of the Chamber of Private Enforcement Agents?	3.53	58.77%

After processing and analysis of the results, we reached the general conclusion that overall estimates for 2014 are lower compared to previous years. The only exception is the evaluation of the PEAs of the Chamber's administrative staff, which is traditionally high and remains so during 2014. All PEAs who have filled in and submitted their questionnaires (a total of **43** colleagues) are satisfied with the Chamber's activities, but do not find any progress and development. The overall assessment received for the Chamber's services and its usefulness for each member PEA was **4.92** under the six-grade scale, performing administrative services for members has been assessed the highest this year - **5.43**.

A total of 38 respondents have determined the activity of the BCPEA as generally positive. With regard to the question of whether in 2014 there has been progress in the Chamber's overall work in comparison with 2013, the majority of respondents find such progress. Other colleagues believe that at least there is no regress, given the massive attacks on the profession from the Justice Ministry, the Council of Ministers and NGOs - due to objective reasons beyond our control, despite efforts of the Chamber. There are also questionnaire answers by PEA, which indicate that the past year has been very difficult for them in every respect. Several colleagues shared the opinion that there is a standstill and you can always strive for better results. They pointed at the major factors such as extremely unfavorable economic and political situation, and in particular the negativity towards their sector and profession as a whole. Moreover, however, some PEAs believe that the Chamber faces the fact that fewer colleagues tend to devote efforts and resources to implement Chamber projects, which would ensure visible progress.

In summary, we should take into account the good results in the Chamber management's work and the excellent testimonials for administrative staff of the Chamber. The average score on the management activities in 2014 is **4.91** (compared to assessments made in 2013, it was 5.29, 5.38 in 2012 and 5.30 in 2011), while the administrative team is rated with **5.63** (for comparison: 5.63 in 2013, 5.66 in 2012, 5.71 in 2011).

A large number of respondents listed some of the most useful activities in the service and interest of its members during the reporting period: appealing to the Supreme Administrative Court of Decree No. 215 of the Council of Ministers of 25 July 2014 to supplement the Tariff of fees

and costs to the Private Enforcement Agents Act (PEAA) and its suspension; protecting the interests of the industry and activities in relation to changes in the Civil Procedure Code (CPC) and the Private Enforcement Agents Act (PEAA); organized and conducted training workshops and national conferences, and the opportunity for PEAs to communicate during them; overcoming many obstacles that impede the functioning of the whole system and limiting any damage caused by attempts to curb the industry; good communication, warm and professional attitude of the Chamber's administrative staff ready to assist at any time and on all issues; timeliness and expeditious exchange of information on procedural and administrative matters, which are crucial for the industry; submitting the minutes of meetings to the Chamber's Board, together with the reports from inspections of offices and recommendations for improving performance; timely and accurate information about events, law amendments; prepared opinions on the unification of practice on some controversial issues in the implementation of the Civil Procedure Code (CPC); the functioning of the Register of Debtors, etc.

Regarding the adequacy of the amount of membership dues to the activities of the BCPEA, opinions this year are quite controversial. Most responding PEAs consider that the membership fee for the Chamber activities is proportionate, fair, reasonable and balanced. Another part of the PEAs (approximately 5% of the total number of respondents) share the opinion that the membership fee amount is determined by the unjust decision by the General Assembly adopted in January 2013 - based on the maximum number of PEAs authorized in the previous year. According to them, the Chamber's services are disproportionate to higher membership fees paid by private enforcement agents who employ assistants, since they do not receive any other service in terms of quality or in terms of volume. Some colleagues believe that the amount of membership dues is normal, but you should use a different basis for the differential rate (for example, number of cases initiated in previous years in offices, revenue offices of annual activity, etc.). These PEAs who consider membership fees to be too high suggest that the same should be reduced and BCPEA should start subsisting by revenues from the Register of Debtors. Last but not least, there is a small number of Chamber members who believe that the size of the membership fee is low and should be higher. In their answers they share the opinion that the Chamber financial independence is very important and would help to implement new and modern projects to enhance the credibility of our organization.

An essential part of the questionnaire criteria refers to public relations, including our media cooperation and the Chamber of Private Enforcement Agents' interaction with the Bulgarian public institutions. Judging by the final result of the respondents' answers, they have comments with regard to the Chamber's status as their professional organization. Opinions of colleagues in this field can be summarized as follows: good, but lower than previous years, assessment of interaction with public institutions - **4.14** (for comparison in 2013: 4.64) and achievements in the field of computerization of law enforcement procedures - **4.21** (for comparison in 2013: **4.72**). The quantity and quality of published press materials for PEAs and the effect they have had on the profession received a score of **4.18** (additional drop compared to 2013 when this indicator was 4.35). It should be noted, however, that in 2014 hundreds of journalistic materials on the subject

of law enforcement were prepared, published and distributed. This is due to the fact that the BCPEA management has cooperated with the media to mitigate negativity in public attitudes caused by the tense political and economic reality in the country and the purposefully unprofessional political discourse of some lawmakers and representatives of the NGO community on the topic of law enforcement.

Overall, a significant portion of respondents shared the opinion that the professional behaviour and actions of the PEAs are regulated clearly in the legal framework of law enforcement. The Chamber has clear expectations to its members and just have to be performed. Unlikely, the expectations of the Ministry of Justice are quite different, judging by the unprecedented in 2014 number of requests for initiation of disciplinary proceedings against PEAs. The same applies to the community, which as a result of high-profile media coverage of certain interested parties, seems to be confused and extremely negative against the activities of private enforcement agents (PEAs). Default of PEAs are permanently subject to monitoring and sanction by the Chamber's Board, the Ministry of Justice and the society in the face of media. Under the indicator "improved institutional environment for work", PEAs gave an overall score of **4.03**, which is lower than the score 4.56 reported in 2013.

When asked what, in their opinion, the Chamber may do for PEAs to assist their work, their responses pointed at: the unification of practices and maximum computerization of law enforcement procedures, especially the imposition of electronic restraints and the introduction of electronic auctions, following the example of other countries; drafting legislative amendments in order to facilitate the PEAs work and in particular the Civil Procedure Code (CPC) and Ordinance No. 4 for official archives; enhanced contact with the institutions and administrations at the highest level in order to improve the activity of law enforcement, including the conclusion of more framework agreements by PEAs for collection of public revenue to the State; collection, compilation and publication for internal use of the jurisprudence of the district courts on appeals in law enforcement proceedings and preparation of good practice models for the PEAs to unify action on contentious procedural issues; closer cooperation with the Ministry of Justice regarding the monitoring of activities of private enforcement agents (PEAs) and a requirement for inspectors under the Judiciary Act to come up with clear and uniform guidelines on the practice of law enforcement; more advanced capabilities for electronic access to information on debtors' assets; strengthening of PEAs authority and non-interference of foreign lobbies in the industry; protecting the professional interests at any level; organizing more training for PEAs and employees in law offices by attracting high-quality speakers for enhancing the industry's professional qualification; introduction of electronic filing and electronic storage of documents also in PEAs offices and the Chamber administration; conducting a proactive media policy of the Chamber, etc. In this year's survey, many colleagues have addressed the issue of unfair competition between PEAs. In its recommendations for improved management of the BCPEA, they called for an uncompromising fight against this ever-growing problem. According to respondents, it is necessary to talk very openly in the industry about the vicious practices, by naming those bearing the profession negatives. The Chamber governance should express a clear and precise position and stand unified behind solving the

unfair competition issue. The recommendations of PEAs to improve the work in this direction include the improvement of managerial and organizational activity and more frequent checks in the offices for detecting "unsound" practices, and then the results can be announced promptly and discussed nationwide during forums organised by the Chamber.

We thank all colleagues who have openly expressed their critical comments. Responding PEAs have made recommendations in the following areas to improve the Chamber activities as a whole in 2015: stable and effective working relationships with public institutions; improving electronic access to information about debtors in enforcement cases; in particular proactive communication with the media for objective reporting on the PEAs activities and adequate response to malicious media attacks; introduction of distance training for PEAs and their staff; improving internal checks in the industry - investigating complaints and mandatory annual monitoring of the law offices in order to prevent unlawful actions by PEAs; enhancing the self-control by PEAs in their ambition to be as transparent, accurate, ethical and honest in their work; lobbying for the profession and the development of a comprehensive new strategy to counter attacks and strikes against the industry; maintaining international contacts with similar organizations abroad; greater willingness of management to communicate with the BCPEA members; purchase of a new Chamber office in order to provide better facilities, etc.

Although constructive criticism and recommendations, for another year the PEAs gave a very low estimate (3.62) for their personal involvement and contribution to the Chamber's work. The industry members gave the same assessment for the contribution in 2013. This fact in itself is not enough evidence by itself for personal motivation and commitment of every colleague to the common cause.

3.1. NATIONAL CONFERENCES AND WORK MEETINGS

In 2014, the Chamber Board organized two national conferences to discuss current issues and problems arising in the PEA practice. Forums taking place in a spirit of open dialogue and active discussion on common problems, exciting colleagues in specific regions and across the country. In the opinion of some PEAs who participated in this year's survey, the number of these conferences should increase because participants clearly benefit from them and are appreciated by all industry members.

On June 14, 2014, National Conference of PEAs was organized in resort of Pamporovo, Hotel "Orlovets", preceded by a workshop for PEAs on the Administrative Procedural Code (APC) and the European legislation in the field of law enforcement. During the conference, participants discussed the bills amending the Civil Procedure Code (CPC) submitted to the National Assembly at the end of April, lawmakers from different parliamentary groups - five in total. Apart from that, distinct attention was paid to the report and a special working group at the Ministry of Justice was set to draft amendments to the Civil Procedure Code (CPC). The conference agenda included crucial issues related to the daily activities of PEA law offices. The new Register of Debtors was officially presented, which was ready to be put into action. Clarifications were given to all of the PEAs to enable access to the

Central Register of Debtors and their obligations concerning the correct completion of data files. They also discussed a number of specific procedural issues and problems of law enforcement, including established vicious practices regarding the charging of fees and costs in PEA enforcement cases.

On November 22, 2014, Grand Hotel Sofia hosted the second annual National Conference of PEAs, which was also celebrative on the Day of PEAs and the ninth anniversary of the Chamber of Private Enforcement Agents. The Chamber Chairperson congratulated all colleagues with their professional holiday and presented a roundup of successes and problems of the industry for the past year.

The conference reported results of the PEAs in 2014. They discussed issues of procedural and organizational work of the industry. The issue of itemizing a claim through multiple cessions was put forward with particular accent. In connection with complaints and media publicized cases of fragmentation of a writ of execution already issued through multiple cessions, the Chamber's Board pointed out to conference delegates that it considered such behaviour on the part of cession agreement buyers for abuse of procedural rights. Abuse of procedural rights under Article 3 of the Civil Procedure Code (CPC) represents unlawful conduct by guilt, which is sanctionable. The sanction is the right and duty of the court, respectively the private enforcement agent, not to grant the request, which constitutes an abuse of procedural rights. The Chamber's Board shares the opinion that the participation of PEAs in such actions undermine the prestige of the profession.

The conference discussed the draft texts for amending the Statute of the BCPEA in the part in elections for governing bodies, the technical aspects of the procedure (voting machine) and the General Assembly agenda. They discussed also other activities in current and future projects of the Chamber - a program for the BCPEA development for 2015 and draft budget for 2015; the introduction of electronic auctions for carrying out public sales of the PEA; upcoming competition for private enforcement; introduction of mechanisms to deal with unfair competition, etc.

Also in 2014 the Chamber of Private Enforcement Agents has properly celebrated their professional holiday! On this pleasant occasion and as a logical and deserved ending to an extremely difficult for the profession year, on the evening following the National Conference we had the pleasure to organize the traditional celebration of the Day of the PEAs and to celebrate the 9th anniversary of the founding of the Chamber. For another year PEAs celebrated their holiday with a private dinner, without the presence of foreign guests. It is remembered with a lot of joy and positive emotions. Meaningful communication between colleagues from across the country is something that is rare in today's hectic and busy life. That's why this format of celebrating the holiday, enjoyed all those present and they expressed their desire to make it a tradition in the future.

During the reporting period, we held regularly regional workshops of PEAs from larger areas of the country - Sofia, Plovdiv, Burgas, etc.

On December 15, 2014, in the city of Sofia Hotel "Saint Sophia" welcomed 25 colleagues from Sofia City and Sofia District to discuss a number of issues related to their daily work in the largest judicial

district in the country. Chairperson of the BCPEA Mrs. Ivanova gave a report on the meetings and events in the previous month in connection with the development of some current projects of the Chamber. The meeting outlined the pragmatic problems of unfair competition between PEAs, which are partly underlined in some texts of the Civil Procedure Code (CPC). Pending resumption of activities of the working group at the Ministry of Justice for drafting the Amendment of the Civil Procedure Code. PEAs discussed how to amend current regulations to be adapted to the changed economic environment for the PEA work. Sharing a general view of attendees, there are actually serious complications from unfair actions in this direction and they should be eliminated with the new texts in the Civil Procedure Code (CPC) to be formulated by the working group. We have discussed again the status of the auction halls, the access procedures and conditions for the PEAs in the premises of the Sofia Regional Court to hold public sale procedure.

By organizing national conferences and workshops of PEAs, as well as by maintaining continuous communication via e-mail between the Chamber administration and its members, the Chamber's Board seeks to pursue a policy of awareness, so that all colleagues are continuously informed of activities and commitments of our professional organization.

3.2. INTERACTION WITH THE INSTITUTIONS

The work of the Chamber Council last in 2014 with the government, media and public organizations was destined undertaken by the Ministry of Justice, Council of Ministers and the Parliament legislative initiatives and subsequent changes in TTRZCHSI and lodged with 6 different LAS of the Civil Procedure Code (CPC) by different MPs.

Chamber of PEA again implemented numerous initiatives, meetings and interactions to create opportunities for constructive legislative changes, effective communication and exchange of documents electronically.

On 27 June 2014 the Ministry of Justice presented a draft supplementing the Tariff of fees and costs to the Private Enforcement Act, which proposed to eliminate the proportional tax on the amount that the debtor has repaid the deadline for voluntary execution. The reasoning was stated that the purpose of the change is to harmonize the regulation of the collection of private and public enforcement fees for enforcement of monetary claims in the case committed by the debtor voluntarily payment deadline for voluntary execution. On 23 July the Council of Ministers adopted Decree No. 215 supplementing the Tariff of fees and costs to the Private Enforcement Agents Act, adopted by Decree No. 92 of the Council of Ministers of 19.04.2006 In accordance with the addendum: "The amount that the debtor has repaid deadline for voluntary execution, no fee will be collected". Chamber issued a strong stance and appealed against the decision before the Supreme Administrative Court (SAC). The complaint BCPEA suggests that tax exemptions should be done by law, and the Council of Ministers can only determine their size. Pointed out more and order violations of the Statutory Instruments Act, which regulates the procedure for adoption of regulations - the tariff is not coherent with the Chamber for new edits will motives, not analyzed and the impact of the changes. Public motivated that change is not in the interest of citizens as they are extremely rare cases in which they pay their entire debt term voluntary

compliance. But change is in the interests of monopolies and some large corporations and leads to extremely large problems for both debtors and creditors of the cases.

On 30 July 2014 the Chamber sent letters to the Ministry of Justice and SJC /total 5 pcs./. Official request to the Ministry of Justice adopted amendments to TTRZCHSI with a request for a comment, and interpret the many issues arising after publication automatic "addition" in the Tariff. We asked MJ to give us official information on the activities of APIA DUI. We are inviting them to organize consecutive meeting with inspectors under the Judiciary Act to the Minister of Justice on the occasion of inexplicable and uncontrollable number of requested disciplinary proceedings against PEAs - most of which frankly untenable. From both initiated by the BCPEA action the only meaningful and real results received from SJC released instructions to all district courts in the country to provide public information under APIA. In the Chamber received an impressive number of reports from nearly all 113 district courts after summary and analysis on our part brought clear and definite conclusions about the state of public enforcement - inefficiency and huge losses to the national budget by keeping them as a parallel alternative to the PEAs.

By order No. 10279/ 29.08.2014g. The Supreme Administrative Court (SAC) halted the action of changes in the rate of private enforcement "On the one hand, some public interest is that of debtors in enforcement proceedings. It is for the disputed tariff. But against this stands as the interest of the whole society lawful development of public relations, which includes timely repayment of debtors, as well as the private interests of creditors for faster due to meet in final court acts before it has initiated enforcement proceedings". It recorded in its order stopping the judges Mario Dimitrov, Bisserka Caneva and Krasimir Kunchev.

In October, however, the Supreme Administrative Court (SAC) decided that the cancellation fee of PEAs in payment during the period for voluntary payment made at the last moment by the Cabinet "Oresharski" is legal. Decision No. 15565/ 18.12.2014g. three-member panel chaired by Yordan Kostadinov and members Svetlozara Ancheva and Madlen Petrova dismiss the appeal of the Chamber of Private Enforcement Agents. Chamber of PEAs will appeal the decision before a five-member panel of the Supreme Administrative Court (SAC).

THE NATIONAL ASSEMBLY

The activity of the governance of the Chamber and in 2014 was largely related to the initiated in the Parliament legislative initiatives on Private Enforcement Agents Act and the Civil Procedure Code. Only the first half of the year the mandate of the 42th National Assembly were imported six different bills concerning the activity of the PEA.

These parliamentary proposals had strong political and electoral nature. They claimed negative messages whose carriers were primarily party figures and actors of election campaigns. Due to the early termination of the mandate of this National Assembly, there were no discussion or adoption of any of these bills.

MINISTRY OF JUSTICE

Partnership with the Ministry of Justice during the first half of the reporting year 2014 passed under the sign of many formal and informal meetings and joint working groups, unfortunately none of these initiatives has produced a complete and satisfactory result for us.

With our letter of Outgoing reference No. 123 / January 29, 2014, the Chamber asked the Minister of Justice to schedule a competition for assistant private enforcement agents. The latest one was organized and conducted in the middle of 2011. All colleagues who received PEA legal capacity are already employed in law offices and at the moment there is a shortage of such staff. In connection with the increased volume of office work, as well as the fact that another 11 new offices of private enforcement agents (PEAs) already operate with areas of operation District Court of Smolyan, District Court of Lovetch and District Court of Pazardzhik, the Chamber's Board addressed the Minister of Justice asking, pursuant to Article 2, paragraph 1 of Ordinance No. 3 of December 11, 2007 on the procedure for conducting examinations for assistant PEAs (promulgated in State Gazette, issue 108 / December 12, 2007) to schedule an exam, setting the time and place, and the deadline for submission of documents. In response, we received a letter from Deputy Minister Sapundzhieva that a competition for assistant PEA is scheduled by the end of 2014, but before that there will be a competition for the remaining PEA vacancies. As a result, we can conclude that by the end of 2014 a competition for assistant PEAs was not scheduled contest.

On May 9, 2014 the working group established by Order No. LS-04-363 / March 05, 2014 of the Minister of Justice for amendments to the Civil Procedure Code (CPC) started its work.

In connection with the accelerated procedure for holding a competition for new private enforcement agents (PEAs), on May 9, 2014 the Chamber was officially received draft Ordinance amending Ordinance No. 1 / February 06, 2006 on the terms and conditions of a competition for PEA. After the consultancy procedure under the relevant departments was over, it was adopted by the National Assembly, promulgated and enforced in State Gazette, issue 47 dated June 06, 2014.

On July 1, 2014 the Chamber of PEAs received a letter from the Ministry of Justice asking for our opinion on the Draft Decree of the Council of Ministers for amending the Tariff of fees and costs of the Private Enforcement Agents Act. An extraordinary session of the Chamber's Board was held, where the members of our management discussed the motives that underlie our response. As a result, within the statutory period pursuant to Article 27 of the Normative Acts Act, the BCPEA sent to the Ministry of Justice, with a copy to the Council of Ministers, letter on draft Decree of the Council of Ministers on amendments to the Tariff of fees and costs of the Private Enforcement Agents Act setting out reasons for non-compliance with the requirements of Article 78, paragraph 2 of the Private Enforcement Agents Act (PEAA).

On July 03, 2014. Mr. Krasen Stanchev, head of the Institute of Market Economy, issued an official statement against the project so proposed. On July 9, 2014 BCPEA presented to the media its official position on the proposed amendment to the Tariff of fees and expenses to Private Enforcement Agents Act (PEAA), exposing public fears that these hasty and reckless actions endanger the financial stability in the country.

However, on July 23 the Council of Ministers adopted Decree No. 215 supplementing the Tariff of fees and costs to the Private Enforcement Agents Act, adopted by Decree No. 92 of the Council of Ministers on April 19, 2006.

As a constant process throughout 2014 to celebrate the huge number of checks on the activities of the PEAs from across the country, as well as an unprecedented number of requests for initiation of disciplinary proceedings by the Ministry of Justice (57) - a practice without analogue in the current activity of the Inspectorate of the Ministry of Justice.

During the reporting period there have been several meetings of the working group on preparation of bills drafted by lawmakers amending and supplementing Ordinance No. 4 of the official archives of the PEAs and Ordinance No. 6 of May 30, 2006 on the manner of calculation and payment of interest on cash to special accounts of the PEA. Unfortunately, this activity was not the priorities of then Ministry governance and was not brought to a successful conclusion.

On August 5, 2014, after the resignation of the Cabinet "Oresharski," Chairperson of Bulgaria announced the composition of the new caretaker government. On August 13 the Chamber's Board requested an official meeting with the new Minister of Justice, as our request was accepted almost immediately, and representatives of the Chamber governance met on August 26 with Justice Minister Hristo Ivanov and Deputy Minister Petko Petkov. The meeting took place in a friendly and constructive atmosphere, since the most pressing problems of the BCPEA were discussed - the immediate introduction of electronic liens, changes in the Rules for entering the work of DK of the BCPEA and the flow of requests for initiation of disciplinary proceedings against PEAs, as well as the urgently adopted at the end of July changes to the Tariff of Fees and Costs, etc. The Chamber's Board has always stated its position that it is the spirit of cooperation, understanding, audibility to problems and readiness for their constructive solution that would lead to a positive development in our judicial system and achieving the rule of law.

THE NATIONAL REVENUE AGENCY (NRA)

On January 14, 2014 at the initiative of Deputy Justice Minister Sabrie Sapundzhieva, a three-party meeting was held at the Ministry of Justice, which was attended by Executive Director of NRA Boyko Atanasov and Chairperson of the BCPEA Valentina Ivanova. The purpose of the meeting was to discuss the powers of PEAs vested by the Private Enforcement Agents Act (PEAA) to collect public and private claims of the NRA. The main issue that caused a controversial discussion was the potential of PEAs to collect public state receivables. The purpose of the Chamber's governance has always been to defend the positions and interests of the industry, to develop processes of electronic flow and automation of communication and ultimately to facilitate the work of the PEAs. This meeting put forth once again the technical requirements to the NRA related to the request and receipt of the necessary information on enforcement cases. The ultimate goal of the project is to stop the exchange of paper documents, which in turn will save significant costs for office supplies, summons, postal and courier services. NRA assured that it is technically possible for the PEAs to

receive electronic reports of debtors' assets in enforcement cases - existing contracts and bank accounts of legal entities. Notifications and certificates under Article 191 of the Tax Insurance and Social Security CodeC should also be sent and received electronically. The trend is for changing from communication and exchange of information by e-mail between private enforcement agents (PEAs) and the NRA to a web-based portal for real time operation. Due to some differences in views between the two parties, by the end of 2014 no new agreement was signed.

At the end of May 2014, following periodically sent by the BCPEA correspondence to the NRA regarding our requests for opinions on certificates under Article 87 and Article 191 of the Tax Insurance and Social Security Act and the VAT administration by PEAs under Article 131 of the VAT Act, the Chamber of PEAs received the two long-anticipated official opinions of the National Revenue Agency, which were brought to the attention of all private enforcement agents (PEAs).

THE SUPREME CASSATION COURT

On the grounds of Article 128, paragraph 1 of the Judiciary Act, by order of the Chairperson of the Supreme Cassation Court (SCC) dated January 11, 2013, interpretative case No. 2/2013 was initiated on the inventory of Supreme Cassation Court (SCC), civil and commercial colleges. The occasion was a motion by the Deputy Chairperson and Head of the Civil and Commercial Divisions of the Supreme Cassation Court (SCC) to adopt a ruling by the General Assembly of the Civil and Commercial Division of the Supreme Cassation Court (SCC) on some issues related to problems of law enforcement, wherever there is a controversial court practice on the interpretation and application of the law within the meaning of Article 124, paragraph 1 of the Judiciary Act.

In the statutory deadlines, an option was provide for expression of opinions of entities as referred to in Article 129 Judiciary Act.

Already on March 4, 2013 the Chamber of Private Enforcement Agents formally deposited its opinion on all 13 questions subject of interpretative work.

Over the past two years six public meetings of the General Assembly of the Civil and Commercial colleges were scheduled on interpretative case No. 2/2013 - three meetings in 2013 and three meetings in 2014. By preliminary ruling, however, no decision was not reached due to the inability of judges to join consensus on some of the most contentious and controversial issues. The work of both colleges still continues as the next meeting is scheduled on 5 March 2015, but at this point we cannot predict when a final decision will be voted.

THE NOTARY CHAMBER AND THE SUPREME JUDICIAL COUNCIL

The Chamber of PEAs, the Notary Chamber of the Republic of Bulgaria and the Supreme Judicial Council, now in its ninth consecutive year maintain good relations. As a continuation of this good tradition, in 2014 we held a tripartite meeting between the BCPEA, the Notary Chamber and the Supreme Administrative Court (SAC), which was particularly important for the three industries, given the achievement of bilateral

agreements on cooperation and mutual assistance in a hostile political and institutional offensive against the three industries. We discussed the project of a Cooperation Agreement between the governances of the three institutions. The agreement has to be signed, after passing the clearance procedures that have their own characteristics in each of the three organizations.

As a logical consequence from the will of the BCPEA and the Notary Chamber to develop as modern European organizations and in the context of e-government initiatives, during the meeting an issue of priority was again the development of electronic systems, platforms and registers - the main tool in the work of the PEAs and notaries to achieve the speed, efficiency and to protect citizens from mistakes and property fraud. PEAs and notaries have set the following basic directions of joint activity in 2015: the creation of joint efforts and resources of an electronic register of transactions with vehicles and liens on them and the provision of remote access traffic police to this information; electronically to the actions of the PEAs and notaries related to the Real Estate Register; participation in a working group at the Ministry of Justice for changes to the Registry Rules; strengthening cooperation with the Agency of Geodesy, Cartography and Cadastre.

THE FINANCIAL SUPERVISION COMMISSION (FSC)

In recent years the number of public creditors at local and national level significantly increased, including many municipalities take the opportunity provided for in Article 2 of the Private Enforcement Agents Act for the award of private enforcement agents the collection of public receivables. The application of this legal option to increase revenues in the national budget has a strong preventive effect, as many individuals and legal entities prefer to pay their obligations to the Ministry of Finance before they become subject to enforcement by PEAs.

According to Article 458 of the Civil Procedure Code and Article 191, paragraph 3 of the Tax Insurance and Social Security Code, the state is always considered acceded creditor to a claim on the debtor's public dues and other receivables, the amount of which was communicated to the private enforcement agent to carry out the distribution. For more than nine years of successful functioning of private enforcement in our country, PEAs have collected extremely effectively these receivables, thereby increasing revenues in the national budget and helping reduce the amount owed to the treasury. The NRA assigns the PEAs collection of both public and private civil claims and the results of this activity are more than good.

As a continuation of this successful and expanding practice, we continued in 2014 meetings and negotiations with representatives of the Financial Supervision Commission (FSC). In § 82 of the final provisions of the Law amending the Public Offering of Securities Act (promulgated in State Gazette, issue 103 of 2012), amendments to the Financial Supervision Commission Act (FSCA) were made. Pursuant to Article 27, paragraph 7 of the FSCA, the statutory fees chargeable by the FSC that are past due, enforceable by public contractors under the Tax and Social Security Procedure Code (TSSPC) or by private enforcement agents (PEAs) under the Civil Procedure Code (CPC). According to Article 27a paragraph 1 of the FSCA fines and pecuniary penalties enforceable by

public contractors under the Tax Insurance and Social Security Code or by private enforcement agents (PEAs) under the Civil Procedure Code.

Insofar as those provisions enable compulsory collection to be carried out by PEAs, here the question arises on how to choose and some uncertainties regarding the selection procedure. The expert opinion of the Audit Court is that the selection of a private enforcement agent should take place under the Public Procurement Act (PPA) adjusted for the value of the contracting service. The opinion of the FSC and the BCPEA is that the analysis of the PPA and the regulations on the activities of PEAs finds a contradiction between the two modes and an inability to view the specifics of the activity and status of the PEAs can be applied to any of the procedures for conducting procurement. Both sides put serious considerations in their positions.

As a result of the conversations and collected information on 13 January 2014 again was a meeting between the management of the FSC and the BCPEA, which present shared the opinion that private enforcement agents (PEAs) have all the potential to take Filing collection public state receivables as well and the Financial Supervision Commission considers entrust to them. After the meeting, the Chamber of PEAs sent to the Financial Supervision Commission official list of contacts of the current PEA. We hope that cooperation between the FSC and the BCPEA will achieve strong positive effect of faster and more efficient collection of public receivables of the Commission and will be in the interest of the state, business and citizens.

BULGARIAN CHAMBER OF COMMERCE AND INDUSTRY (BCCI) AND ASSOCIATION OF INDUSTRIAL CAPITAL IN BULGARIA (AICBG) – SURVEY OF BULGARIAN BUSINESS

Chamber of Private Enforcement Agents, together with the Bulgarian Chamber of Commerce and the Association of Industrial Capital in Bulgaria conducted a survey on the topic: "How Bulgarian business evaluates the work of the private enforcement agents." The questionnaire was distributed both nationally representative organizations to their members. The initiative was part of efforts of the Chamber to improve the institutional and business environment in which they work PEA.

Joint consultation it was decided at a meeting with the management of BCCI and BICA, which was held at the initiative of the Chamber of April 15, 2014. The purpose of this meeting was to discuss possibilities of cooperation between the BCPEA and national organizations of Bulgarian business conditions increasingly rampant political populism, provocative and negative attitudes against our occupation. For the governance of the Chamber of PEAs it is extremely important to obtain feedback on the real satisfaction of creditors of the Bulgarian services of private enforcement agents (PEAs).

EXECUTIVE FOREST AGENCY (EFA) AND STATE AGENCY FOR METROLOGY AND TECHNICAL SURVEILLANCE (SAMTS)

On June 13, 2014, after preliminary discussions and consultations, the management of the BCPEA and representatives of the Executive Forest Agency met and signed an agreement for the collection of public obligations of the agency. As indicated by the Ministry of Agriculture

and Food, with the agreement expected to improve the collection of fines and pecuniary penalties under effective penal provisions.

Such an informal agreement was reached and on April 14, 2014 a meeting with representatives of the State Agency for meteorological and technical supervision (SAMTS) was held. The agency already has a list with all the PEAs on the territory of Bulgaria.

Analysis of the results of our partnership with these two institutions could be made over a period of time to have the opportunity to gather information from PEAs number of newly works with creditors and EFA SAMTS and recoveries in these cases.

THE STATE AGENCY FOR NATIONAL SECURITY (SANS)

On March 5, 2014 at the invitation of the Director of Department "Financial Intelligence" and the department "Control of obligated persons" at SANS, a meeting was held between representatives of the Chamber's Board and the State Agency for National Security. These meetings are traditional and are held at least once a year, in the same place, in a friendly tone and aim to eliminate gaps that PEAs admitted to not lead to the drawing up acts for established violations.

The subject of this year's meeting was the methodological support from the National Security Agency on measures to prevent and counter money laundering and terrorist financing. We discussed issues related to the checks made by the National Security Agency in the offices of the PEAs, and the most common omissions.

SOFIA UNIVERSITY "ST. KLIMENT OHRIDSKY"

On January 14, 2014 a meeting was held between representatives of the Chamber and the Faculty of Law at Sofia University "St. Kliment Ohridski", which was a presentation of the project at Alma Mater "Updating the curriculum Faculty of Sofia University "St. Kliment Ohridski". The meeting was initiated by representatives of the university. The Chamber of PEAs declared its readiness to provide professional assistance in updating curricula in "Law" major. It is necessary to update curriculum and introduce new disciplines is necessary in order that the key elements of the law school and their classes have been developed in the mid-1990s. Since then there have been significant changes in the socio-economic and social relations that affect legislation. Practices in European judicial training were reviewed and discussed. If necessary, the BCPEA has pledged to appoint their representatives as tutor-practitioners to enrich the teaching methods and forms by conducting optional lessons, practice lectures. This will be achieved via practical training, which optimally describes the real environment. Mariana Obretenova, Head of the Committee for Vocational Training at the Chamber's Board, attended another official forum on the above project, which took place on December 18, 2014 and now includes a much wider range of stakeholders.

THE NON-PROFIT COMMUNITY (NGOS)

In 2014, the main demands and initiatives of organizations and representatives of the political forces associated with PEAs were:

On March 9, 2014 - At a press conference "Civil Society Today" we presented some of the demands of the organization: full repeal of Article 417 and related provisions of the Civil Procedure Code (CPC), the introduction of contestability in court actions and omissions of the PEA, the creation of non-public software register of all documents prepared by PEAs, create an independent authority to the Chamber of PEAs to consider disciplinary proceedings of PEAs against amendments to Article 446 of the Civil Procedure Code (CPC), amendments to Article 2 of the Private Enforcement Agents Act (PEAA), requests for changes in the tariff of the PEA, to provide two levels of control in cases of appeal against actions of the PEAs, etc.

On April 3, 2014 - at the invitation of the National Assembly and the Commission for cooperation with civil society organizations and movements, the Center for Human Rights took part in a discussion on issues related to private enforcement agents (PEAs). The main focus of the organization in 2014 is fighting to repeal Article 417 of the Civil Procedure Code (CPC).

On April 3, 2014 - a meeting of the Commission for interaction with civil society organizations and movements. On behalf of 26 public organizations, Dimitrin Vitchev, chairperson of the Union of victims of the PEAs and the banks "Zakrila" (Protection) with a request to introduce a moratorium on forced performances receivables to the parliament to form an ad-hoc committee of inquiry to investigate the corrupt practices in the work of the PEA, and a complete revision and verification of the PEAs from the Ministry of Justice, the Ministry of Finance, the National Security Agency, under the supervision of the Prosecutor General. The organization has developed a report for the 9-year action of the Private Enforcement Agents Act (PEAA). It stated that private enforcement in Bulgaria threatens the national security of the country and calls for the annulment of the Private Enforcement Agents Act.

On May 9, 2014 - Independent lawmakers Svetlin Tanchev and Rumen Yonchev, together with representatives of the "Bulgaria without Censorship," Angel Slavchev and Rada Kodzhabasheva, filed a request for a moratorium on the affairs of the PEAs.

On May 14, 2014 - First round table on the topic "Private Enforcement Agents - necessity or blackmail" organized by Svetlin Tanchev, independent MP and current representative of "Bulgaria without censorship".

On June 11, 2014 - Second round table on the topic "Private Enforcement Agents - necessity or blackmail".

On October 14, 2014 - In a case brought by the Chamber of Private Enforcement against a decree of the Council of Ministers, two civic organizations were constituted as parties - "Center for European integration of Bulgaria and protection of human rights" and Association "Civil Control".

On December 14, 2014 - organized a national protest against the arbitrariness of banks and the PEA. Organizers: Centre for European integration of Bulgaria and Human Rights Movement of full employment and price stability, the Association "Civil Control" and Union "Protection of Victims of banks, financial institutions and private enforcement agents (PEAs)." Enclosed are the following requests:

- An immediate moratorium on all enforcement cases in Article 417 of the Civil Procedure Code (CPC) and its repeal at a later stage;
- Law on bankruptcy of individuals;
- Law on Financial Ombudsman;
- Regulatory authority outside the National Bank, to monitor the vicious practices of banks and financial institutions;
- Immediate changes in the Civil Procedure Code (CPC) and removing obstacles to collective action against banks;
- Protecting SMEs that are borrowers.

PRIVATE LAW ENFORCEMENT - RISKS IN DECLINE OF EFFICIENCY

PRIVATE LAW ENFORCEMENT has proven to be an effective regulator of the business environment. Limiting its actions, economic moot of its existence or its total abolition would have a strong negative effect on inter-company indebtedness. In perspective, such measures would have blocked hundreds of businesses or deprived of the opportunity to obtain financial resources to operate safely and create gross domestic product.

Indirectly hampering the work of the PEAs will have a negative effect on the ability of businesses to provide the necessary collateral and obtain financial resources - a basic condition for development and to ensure growth.

Reducing the effectiveness of the PEAs will have a direct negative impact on revenue in the state budget.

Blocking private law enforcement would block the work of the majority of Bulgarian municipalities, which rely mainly on private enforcement collection of receivables. This, albeit indirectly, would affect businesses because municipalities are among the main beneficiaries of the funds for infrastructure projects.

One of the serious consequences of disrupting the effectiveness of the private law enforcement will be **clogging the judicial system and its failure to respond adequately to the needs of the business** and creditors quickly resolving problematic receivables. This in turn will enhance the volatility of investors - domestic and foreign, as a major factor in their choice to launch new investment is an effective and swift judicial system.

Last but not least, hasty decisions made without assessing the impact of regarding the PEAs will raise a number of negative issues of **the World Bank and the European Commission.**

3.3. Public relations and media

In 2014, the Chamber of Private Enforcement Agents continued to inform the public through the media on key events and topics related to their activities. Along with regularly sent press information, and media appearances of representatives of the Chamber were realized in the electronic and print media.

In the past year, we carried out our business in an extremely tense public environment. Only the first half of the year, in the mandate of the 42th National Assembly six bills concerning the activity of the PEA were introduced. During the official election campaign and months before, private law enforcement and the work of private enforcement agents (PEAs) became part of the political discourse and the activities of various NGOs. In most cases the subject was marked by extreme populism, ignorance of legal procedures and rules for the PEA work, attempts to discredit the profession in order to raise popularity. The complicated socio-economic situation in the country has also contributed to attempts to create a negative attitude towards the industry. Generally the society is presented with individual cases of debtors with a focus on their plight. Public focus shifts away from other creditors, and the reasons that led to the judgment and intervention of the PEAs. Meanwhile our practice has confirmed that the public is not aware of not only legal rules on PEA work, but fundamental rights of debtors and creditors. Moreover - a lasting trend is to massively sign contracts and make commitments without considering the consequences, which can lead to their failure.

In this situation, the Chamber has taken action to protect the name of the profession and to raise awareness of citizens.

Mortgaging information campaign directed towards citizens. Inside, the Chamber organized free consultations via their site, face-to-face consultations in the Open Day, free explanatory booklet. The campaign aims to provide practical information to answer the most common questions to dispel the delusions and speculation about the profession of private enforcement agent.

It started with updating the section "Questions and Answers" on the website bcpea.org and provide an opportunity to ask specific questions via the feedback form.

The campaign continued with direct contact with people. On April 16, 2014, **Open Day** was organized in which PEAs consulted free citizens in seven cities. Nearly 80 people took the opportunity and attended our event in Burgas, Varna, Gabrovo, Plovdiv, Ruse, Stara Zagora and Sofia. Free consultation was sought by both debtors and creditors, and citizens and representatives of companies with issues of different nature.

Within its powers, PEAs explained the legal procedures are working - the procedures for the issuance of writs of execution, the imposition of liens, notification to the debtor and subsequent actions by law. Their questions placed guarantors on loans and heirs of debt. Individuals are interested how to reschedule its debt to appeal the assessment of the property or the activities of a private enforcement agent. Ignorance of rights and treatments are upheld by this format.

Colleagues said that visitors are satisfied and thanked for their support.



In Gabrovo, the Open Day was held at the office of PEA Zvezdelina Parashkevova - Vasileva. She turned out to have provided professional help to 15 residents

of Gabrovo. In Plovdiv, PEAs Lyudmila Murdzhanova Angel Angelakov, Mariana Kirova, Petko Iliev and Stefan Gorchev welcomed their fellow citizens in the hall for the public sale of the Court Chamber - Plovdiv.

In Stara Zagora, PEAs Ivan Stramski and Margarita Dimitrova gave professional advice to Stara Zagora Ombudsman's office Pavlina Delcheva. Two offices of PEAs opened its doors to visitors in Varna. The initiative in the seaside capital was entrusted to PEAs Nadezhda Georgieva and Daniela Petrova. In Ruse, specific cases were presented by PEAs Ivan Hadzhiivanov. In Sofia, Sofia residents sought assistance from PEAs Nikola Popov, Rositsa Apostolova Veselka Lyubenova. Weak interest to the initiative came from citizens of Burgas, committed by PEAs Tanya Madzharova and Delian Nikolov. However, colleagues met with the regional Ombudsman.

During the Open Day, citizens received from PEAs an explanatory brochure introducing them to the basic principles of operation of the PEA, with opportunities to appeal the PEAs actions and keep contact with the Chamber. The Open Day Initiative was reflected in the regional media. The tone of the publications was entirely positive.

In 2014, the Chamber of Private Enforcement informed the media about important events and their positions relating to the operation of private enforcement. These press releases were sent to all media:

- Decline of law enforcement cases in 2013 reported the Chamber of Private Enforcement Agents - March 24, 2014
- On April 16 the Chamber of Private Enforcement organizes Open Day - April 9, 2014
- Hasty endangering financial stability in the country - July 9, 2014
- BCCI supported BCPEA that analysis is required before the change in the regulation of employment of PEAs - July 21, 2014
- In its last working day the government adopted lobbying changes, which blocked the collection of debts - July 23, 2014
- BCPEA donated funds for victims of the town of Mizia - August 14, 2014 - Information on the website of the Chamber
- Demand for PEAs in unpaid salaries and allowances of the children - December 12, 2014
- Official position of the BCPEA on the protest has been sent to the media coverage of the event on December 14 - December 14, 2014

The Chamber members received press books containing coverage of press releases.

3.4. CONTROL ON THE ACTIVITY OF PRIVATE ENFORCEMENT AGENTS

PEAs exercise one of the most regulated professions. Besides control on the activities of the Chamber is exercised by six institutions - the

Ministry of Justice, the Ministry of Interior and the Prosecutor's Office, SANS, NRA and district courts.

The Ministry of Justice and the Chamber's Board have conducted independently a strict policy of control and supervision over the activities of Private Enforcement Agents (PEAs) and monitored the compliance with the law, the Statutes and the professional Code of Ethics. Inspections have been carried out both on specific complaints and on the overall activities of law enforcement offices in the country. There is strict and precise control on the private law enforcement sector implemented through the Ministry of Justice (legal and financial inspectors) and self-control executed through inspections in law enforcement offices and consideration of complaints on the part of the Chamber's Board. We realize that in the private enforcement industry, as in most professional sectors, individual members do not always abide by the rules. Since its inception in 2005, the Chamber of Private Enforcement Agents (CPEA) has been uncompromising with each Private Enforcement Agent (PEA), who has violated the law and our professional prestige. For the period 2006-2014, disciplinary proceedings initiated reached **204**. The Chamber of Private Enforcement Agents (CPEA) has imposed **14** penalties "reprimand", **55** penalties with fines of up to BGN 10,000, **3** penalties "warning of legal capacity deprivation" and **6** penalties "deprivation of legal capacity". Only 2014 were initiated **75** disciplinary proceedings, there should be noted the huge number of disciplinary proceedings requested only by the Ministry of Justice - a total of **57**. In comparison, disciplinary proceedings only at the request of the Chamber's Board for 2014 are merely **12**, and at the joint request of the two bodies - a total of **6**.

The Committee on Professional Ethics (CPE) operates as a subsidiary body to the Chamber's Board, characterized with its own organisational framework and rules of operation. According to Article 57 of the Code of Ethics of Private Enforcement Agents, the Committee on Professional Ethics (CPE) is appointed by the Chamber Board and is composed of nine members elected by the General Assembly voted between representatives of Article 10, section 11 of the Chamber Statute. The Commission's mandate is three years. The Chamber Board shall appoint a chairperson of the Commission on professional ethics among its members to participate by right in the meetings of the Council. During the term 2012 - 2015, the Commission consisted of 9 main and 4 alternate members. The main priorities of the CPE in 2014 were focused on: checking signals and complaints against the PEA; monitoring and follow up of work in the offices of the PEA; preparation of legal opinions on issues of law enforcement; use of mediation as a means of resolving disputes between colleagues and between PEAs and litigants in cases. The Chamber's Board expresses its gratitude to those members of the CPE, which participated actively to support their work by contributing its significant support in times of severe political and institutional crisis which constituted our working environment.

3.5. INTERNATIONAL COOPERATION

The Chamber of Private Enforcement Agents (CPEA) is a full-fledged member of the International Union of Judicial Officers (UIHJ), which was established in 1952. Today its members are 74 countries.

The International Union of Judicial Officers (UIHJ) is established to represent its members before international organisations and to ensure better cooperation with national professional organisations. The UIHJ works to improve national procedure law and international treaties and makes every effort to promote ideas, projects and initiatives to support the progress and advancement of the independent status of Private Enforcement Agents (PEAs). The International Union of Judicial Officers (UIHJ) is a member of the UN Economic and Social Board. The International Union of Judicial Officers (UIHJ) participates in the work of the Hague Conference on Private International Law, in particular - in planning of conventions relating to the service of law enforcement orders and enforcement procedures. The International Union of Judicial Officers (UIHJ) is a member, with permanent observer status, of the European Commission for the Efficiency of Justice (ECEJ, *fr.* CEPEJ) with the Board of Europe. The Union has also expressed its comments and considerations regarding the establishment of a European Judicial Network in Civil and Commercial Law by the European Commission for legal professions. In addition, the International Union of Judicial Officers (UIHJ) currently participates in activities of the group "Justice Forum" convened by the European Commission and in its e-Justice project. The International Union of Judicial Officers (UIHJ) is currently working on an ambitious project aimed at creating a Global Code of law enforcement Procedures in cooperation with professionals from the fields of law and academics from around the globe. The International Union of Judicial Officers (UIHJ) has participated in study missions associated with governments and international bodies.

The Bulgarian Chamber of Private Enforcement Agents (CPEA) was adopted as member of the International Union of Judicial Officers (UIHJ) in 2005 and since then has regularly paid the annual membership fee.



In June 3-7, 2014 Chairperson of the Chamber of PEAs took part in the European meeting of the Permanent Council of UIHJ and the Council of European Chairpersons, which this year took place on the island of Crete, Greece. Official guest of the event was Mr. John Stacey - Chairperson of the Commission for the Efficiency of Justice (CEPEJ).

The forum was held a meeting of 11 countries - members of the subsidiary organization of the International Union of Judicial Officers EURODANUBE. Bulgaria, Macedonia, Lithuania, Latvia, Slovakia, Serbia, Poland, Moldova, Hungary, Estonia and the Czech Republic submitted reports on the legal and institutional environment in which they operate private enforcement agents (PEAs) in the respective countries. The distribution of law enforcement cases was the topic of a sequel that began last year at the meeting in Paris. Participants set their focus on achievements of IT technologies in the field of law enforcement. Elections were scheduled for the new Secretariat of Eurodanube, to be held in November this year.

Chairperson of the BCPEA Valentina Ivanova introduced colleagues with the current environment for Bulgarian PEAs. She recalled that since the beginning of reform in 2005, the country has operated alongside private

and state enforcement. Valentina Ivanova regretted that in fact with each government reshuffle in the country, the Chamber need to keep fighting to not lose positions already won.

"From the end of 2013 our intensified interaction with the institutions and the protection of the interests of private enforcement stands in the foreground. A typical example is the amended Tariff of fees and expenses. In the past few months, because of the European elections unprecedented pre-election populism spread in the country. At present, a total of 4 separate bills for amending the Code of Civil Procedure section for enforcement are submitted to the National Assembly, as well as proposed amendments to Private Enforcement Agents Act (PEAA). They all sound absurd in view of the fact that neither one of them is based on a serious legal, economic and financial analysis and seem to return enforcement years ago", she said and added that the governance of the Chamber is doing everything possible to suppress the effects of such an approach." Our representatives have participated actively in the working group at the Ministry of Justice as a separate bill to amend the Civil Procedure Code (CPC) - as opposed to proposals - has been submitted so far," Ivanova said.

She said that it is essential for Bulgarian PEAs to launch the **system to impose electronic distrainants**. "For about two years since the adoption of provisions on electronic attachment, for unclear reasons our Justice Minister and the Governor of the Bulgarian National Bank have established requirements to a single exchange environment of electronic distrainants and the mechanism of law cannot be applied. It damages mostly participants in enforcement proceedings, because if you have an electronic distrainant, a private enforcement agent will collect only one fee of 9 euros," the Bulgarian Chairperson stated.

Valentina Ivanova presented to colleagues from Eurodanube the work of two large national registries - REGISTER OF DEBTORS and REGISTER OF PUBLIC SALES, which have no analogue in our country.

Honourable presentation at the football tournament in Prague



The PEA team of Bulgaria ranked third in the football tournament "Eurodanube", which was held in Prague from 28 to 30 May 2014. In the first game our guys ended 1-1 with Macedonia. There was a draw and winners of the tournament were colleagues from Hungary. Our team scored three victories - against the teams of Serbia, the Czech Republic and Slovakia. The only loss of our guys came in the last game with the Poles.

The team: Ivan Cholakov - PEA, Georgi Dichev - PEA, Petko Iliev - PEA, Hristo Georgiev - PEA, Iliya Doykov - law office employee, Milen Filipov - law office employee, Veselin Ivanov - law office employee, Veselin Ivanov - law office employee, Stoycho Stoychev - law office employee, Ivailo Yovchev - law office employee

"We achieved a very good result. In Bulgaria we prepared for playing small doors in Prague with surprise we found fifteen-foot doors. We played on natural grass, and the week before the meeting in the Czech capital it was raining continuously. Our team played the tournament with 9 people and achieved a result that is more than impressive," said captain of our PEAs team Ivan Cholakov.

"We had a huge desire to win and we performed really worthy. We



demonstrated exceptional solidarity, friendship and support at any time with one another, which has not gone unnoticed by other teams. The result we have achieved have made our rivals look at us with respect and respect," players said.

Equipment of the football team was provided by the team captain Ivan Cholakov. We proposed to his Eastern European colleagues in the summer of 2015 to organize a tournament in Bulgaria. Our ambition is to underpin the rules that the team can include only PEAs and assistant PEAS in an official document by the Chamber. This format, in addition to being fair and honest, can become a real venue for colleagues from across Europe and the governance of the International Union of Judicial Officers (UIHJ). Our proposal was formally approved by UIHJ and announced at its meeting in November in Paris.

The call of Bangkok - First meeting of the private enforcement agents (PEAs) from Asia and Europe



On March 20 and 21, 2014, the International Union of Judicial Officers (UIHJ) and representatives of nine Asian countries met in Bangkok in the international workshop on the exchange of good practices in the field of law enforcement, organized jointly with the Department of law enforcement at the Ministry of Justice of the Kingdom of Thailand. This is certainly a new chapter in the history of UIHJ and the profession of private enforcement agents (PEAs). Thanks to contacts with UIHJ, the Ministry of Justice of Thailand, Department of law

enforcement (LED) and Director-General and members of the Association of Southeast Asian Nations (ASEAN) realized an international workshop on the enforcement of judgments. The event was attended by nine of the ten invited Member States of ASEAN: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam.

The Hague Conference on Private International Law, represented by its Secretary General, Christophe Bernasconi, also participated in the workshop at the invitation of UIHJ and eleven countries in Europe and Africa: Algeria, Armenia, Belgium, Bulgaria, Estonia, France, Moldova, the Netherlands, Poland, Scotland and Uganda.

The topic of the agenda, attended by hundreds of delegates was the exchange of best practices in enforcement between Member States of ASEAN and UIHJ. They identified three specific objectives of the Forum: Exchange of information on laws and regulations, experiences and best practices regarding the enforcement of judgments in civil matters; Encourage the creation of broader professional network of judicial officers and employees; development of cardiac relationships and exploring opportunities for cooperation between the professional organizations of the Member States of ASEAN and UIHJ. The workshop offered six dynamic and practical sessions - basic principles of law enforcement, different ways of serving documents to individuals, the status of private enforcement agents (PEAs), powers of private enforcement agents (PEAs) in Asian countries, enforcement methods and protective measures.

"For the first time an event of this scale takes place in Asia and so many countries have come together to discuss the profession of private enforcement agent and civil enforcement proceedings. Exchange of experience will become a reality and will be developed. Besides the exciting encounter between people, which begins now, each country will benefit from the vision and the experience of others. This will lead to a much more secure, faster and more efficient judicial system," said President of UIHJ Leo Netten.

On June 26 and 27, 2014 the head of the Committee on Vocational Training at the Chamber's Board Mariana Obretenova participated in a workshop in Brussels entitled **"Fundamentals of good practices in European judicial training."** The conference presented the results of the 2013 training of judges, lawyers and private enforcement agents (PEAs). The forum programme focused on discussions, workshops on modern practices and effective training - e-learning, blended learning, methods of interactive participation and simulation, using video and actors, training for trainers, etc. The European Chamber of judge - contractors held a session on "Linguistic barriers in international trainings". Results indicated that very often communication problems between lawyers - foreigners are not so much due to the language barrier and translation as because of differences in the judicial systems of the Member State. They gave specific examples that demonstrate how to overcome these difficulties. Participants had the opportunity to hear the recommendations of their colleagues.

At the end of September 2014 the Chamber's Board initiated the organization of a meeting between Balkan PEAs of Bulgaria and Serbia. Traditionally, relations between the Bulgarian and Serbian Chambers have always been very cordial, collegial and well-intentioned. This fact is confirmed in the implementation of this initiative between the two institutions. The conference was held September 26 to 28 in Belgrade, Serbia. A total of 43 enforcement agents from the two Balkan countries brought together to discuss issues of law enforcement. The problems and challenges facing the private enforcement agents (PEAs) from the Balkan countries have a common nature and differ somewhat from problems in other European countries. For Bulgarian private enforcement agents (PEAs) was useful to hear how their Serbian colleagues deal with the challenges of a complex environment in which everyone have to work, given the ongoing economic crisis worldwide. Chairperson of the Serbian Chamber Mrs. Alexandra Treshnev presented the main points of the

judicial enforcement procedures and the forms of exercising control over the activities of private enforcement agents (PEAs) in Serbia. For her part, Chairperson of the BCPEA Mrs. Valentina Ivanova shared with our Serbian colleagues the best practices that our Chamber apply to control the activity of PEAs. The work of two national registries, which the Chamber of PEAs maintain and develop - CENTRAL REGISTER OF DEBTORS and REGISTER OF PUBLIC SALES - were presented. In general meeting passed in a very friendly and informal working atmosphere. It was claimed the desire of both parties meetings of this nature to continue to expand in the future.

On November 7, 2014, the PEAs delegation from Macedonia visited the city of Plovdiv and met with PEAs colleagues from the city that gladly hosted the event. Group of PEAs from "Law enforcement agents of the



Republic of Macedonia", was led by Zoran Petreski, current Chairperson of the Chamber, and Gordan Stankovic, former chairperson. The delegation included also four private enforcement agents from various parts of Macedonia. The event was coordinated by attending Biljana Nikolovska, administrative secretary of the Macedonian Chamber. As an introduction to the presentation of the activities of private enforcement agents in Bulgaria, the

Court Chamber in Plovdiv was visited, where in the hall for conducting the public sale the procedure for conducting a public sale was explained. The good performance of the profession in the region continued to visit at the offices of PEA Petko Iliev, where he represented the modern organization and functioning of a PEA office in Bulgaria. Accompanied by colleagues already mentioned, the Business center Plovdiv hosted a general meeting of the PEAs group from Macedonia and PEA colleagues from Plovdiv - Mariana Kirova, Dragomira Mitrova, Minka Stantcheva, Petko Iliev and Stefan Gorchev. The meeting exchanged information about problems and solutions in enforcement in both countries. The meeting discussed the positive attitude of both sides to conduct joint workshops and conferences, such as the beginning of this initiative identified in May 2015 and a place for participants in the meeting agreed to meet in Bansko, Blagoevgrad Municipality.

The regular session for 2014 of the world Permanent Council of the International Union of Judicial Officers took place November 26 to 30 in the city of Paris, France. The same was preceded by a meeting of the member states of Eurodanube. This year the Chairperson and Administrative Secretary of the BCPEA participated in the work of both forums.

Meeting of Eurodanube within the Permanent Council passed under the focus on issues related to the problems that have various chambers. Participants had the opportunity to exchange information and experiences about the current state of law enforcement systems in their countries. Representatives of our delegation also presented the development of the system of private law enforcement in Bulgaria. Shared and problems they deal Bulgarian PEA, which unfortunately emerged in recent years from poorly made legislative changes, showing a different attitude from the state to the PEAs and state enforcement peers. In practice, these changes represent a significant departure from the principles of reform and instead of supporting it they are

against it. Bulgarian experience shows that the liberal model is the best and that it should not run in parallel with state enforcement. Once again the member states of Eurodanube reached the categorical conclusion that they have a common history, present and future and struggling with similar problems of their legal systems, respectively and in the profession of private enforcement agent. In the current economic crisis, integration and strengthening of the enforcement process in these countries becomes critical. Strengthening of law enforcement, as the primary institution of justice, should become the overall objective, especially in the fight and competition with debt recovery firms and intermediary agencies. This can only be achieved by joining forces, which is the main objective and commitment of the organization «Eurodanube».

The Permanent Council agenda included the following topics: adoption of the report on the activities of UIHJ 2013; UIHJ connections with European and international institutions on issues of law enforcement; cooperation agreements with universities from different countries; reports of the subsidiary bodies Euronord, Euromed and Eurodanube; the Scientific Institute "Jacques Isnard"; financial report for 2013; speeches by delegations; state and development activities ongoing projects UIHJ - Electronic justice STOBRA; communications and publications of UIHJ, etc.

On December 10, 2014 the Council of Europe in Strasbourg, France, hosted the **first Global Forum on law enforcement** - a new kind event organized jointly with the European Commission for the Efficiency of Justice (CEPEJ) and the International Union of Judicial Officers.



The aim of the CEPEJ is the improvement of the efficiency and functioning of justice in the Member States and the development of the implementation of acts adopted by the Council of Europe in this respect. UIHJ has the status of a member - observer CEPEJ. His representatives attend twice-yearly plenary sessions of the Commission for the Efficiency of Justice. In 2003, UIHJ has participated in the development

of Recommendation Rec (2003) 17 of 9 September 2003 the Council of Europe on the implementation of judgments. In 2009, the Union participated in the working group of the CEPEJ on enforcement, which is developing guidelines for better implementation of Recommendation Rec (2003) 17. These guidelines were adopted on December 10, 2009 by the CEPEJ, and December 17, 2009 by the Committee of Ministers of the Council of Europe.

Over sixty countries from Europe, Africa and America attended the event organized to mark the fifth anniversary of the adoption of the Guidelines for the Efficiency of Justice on enforcement. More than 150 people from all parts of the world, including the Bulgarian delegation, gathered in the building of the Council of Europe to attend this first global forum. Besides private enforcement agents (PEAs), these countries were represented by judges, law professors, students, European Union of Judicial Officers and representatives of the Ministry of Foreign Affairs and Ministry of Justice of France and Moldova. The opening ceremony was attended by Gabriella Battaini-Dragoni - Deputy Secretary General of the Council of Europe, John Stacey - Chairperson of the Commission for the Efficiency of Justice and Leo Netten,

Chairperson of UIHJ. The forum was divided into two parts: 1) the need for effective law enforcement and 2) tools to increase the effectiveness of enforced.

The International Union of Judicial Officers has been very grateful to the Council of Europe Commission for the Efficiency of Justice, which provided all the necessary technical and human resources available and the event helped to acquire an international dimension of such a large scale.

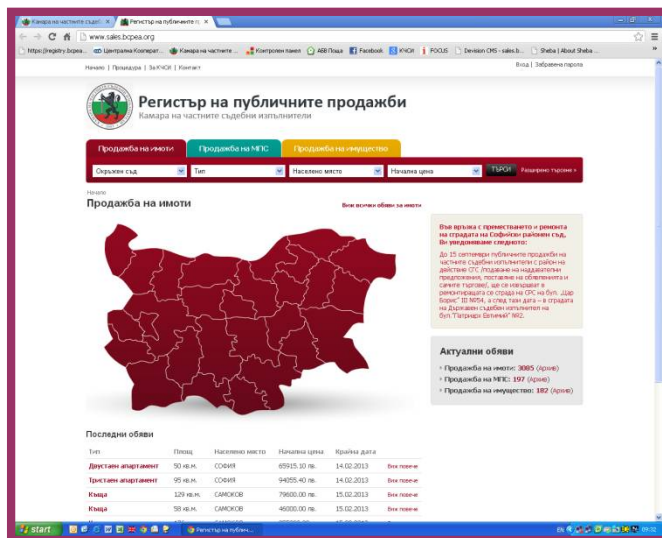
3.6. SERVICES RENDERED TO CHAMBER MEMBERS

In 2014, the Bulgarian Chamber of Private Enforcement Agents (BCPEA) continued to build and maintain the organisation's capacity to provide electronic services to its members.

3.6.1. DEVELOPMENT OF ELECTRONIC ENVIRONMENT AND TECHNOLOGY

The reporting period from January 01, 2014 to December 31, 2014 coincides with the last year of the mandate of the Board of the Chamber of Private Enforcement Agents and marks the end of this large and the start of a new stage for the development of the BCPEA in the electronic environment. In 2014, the Register of Public Sales reached its maturity and the new Central Register of Debtors was finally introduced into operation. It was launched new projects, giving perspective to the BCPEA for development in this area.

3.6.1.1. REGISTER OF PUBLIC SALES



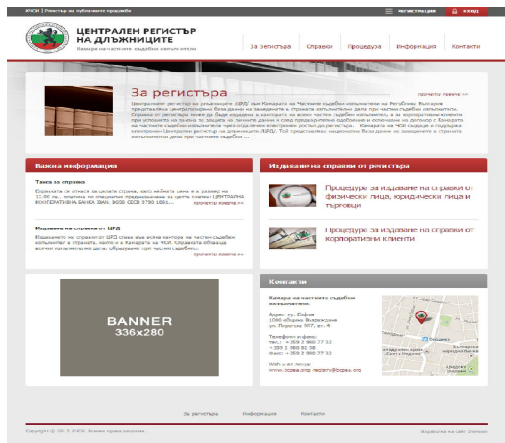
The website "REGISTER OF PUBLIC SALES" was launched in the middle of 2009. At the end of 2011, a new web-based register was successfully implemented, which better met the requirements of both users, namely Private Enforcement Agents (PEAs), and external users. After its creation, the Chamber continued monitoring of its work and by the start of 2014 it has made several enhancements that improve its functionality. An important success for the BCPEA that ensures its successful

development was achieved in late 2012 and early 2013. By decision of the SJC regarding the amendment of Article 487, paragraph 2 of the Civil Procedure Code (CPC), the Central Register of Public Sales established itself as an essential and indispensable for keeping electronic database conducted under the Civil Procedure Code (CPC) sales of private enforcement in the country. In 2014, the Chamber team shall continue to monitor their work and correct completion of data by private enforcement agents (PEAs). By decision of the Chamber's Board was held ongoing verification of compliance with the obligations of the offices for regular and duly completing the information in the

register. In this inspection were not found significant or systematic violations by members of the Chamber.

For the past twelve months of 2014, the website RIP was visited by 731 869 / seven hundred and thirty-one thousand eight hundred sixty-nine / unique IP - address, which means that at least twice as many unique visitors have logged on the site, given that many computers are used by more than one person, and that behind some IP - addresses stand numerous individual consumer (corporate customer with as many computers and users). This is an increase of over 25% of unique visitors to the site, compared with 2013 when the figure was 581,355. This number of visitors accessed the page 2,914,032 (two million nine hundred and fourteen thousand thirty-two) times and they examined a total of over 42,007,219 (forty two million seven thousand two hundred and nineteen) pages. The average number of pages that a visitor examines 14 pcs of each visit, as visitors spent on the site an average of about 9 minutes at each visit. Average site was visited by about 2005 (two thousand and five (visitors) comparison in 2013 this number was 1592).

In 2014, the Register of Public Sales of the Chamber of Private Enforcement Agents were announced 52,580 sales (compared to 48,029 2013/Among them: real estate 47,140/42,599 compared to 2013 /; license - 1982/2155 compared to 2013) and movables - 3458/3275 compared to 2013). Of course that's half sales for 2014 are far less - October 6500 / data still summarize).



Distribution of announced sales of real estate by district courts:

Sofia City	Sofia District	Blagoevgrad	Burgas	Varna	Veliko Tarnovo	Vidin
7203	1354	2199	4763	3594	2612	604
Vratsa	Gabrovo	Dobrich	Kyustendi 1	Kardzhali	Lovech	Montana
67	1308	1630	1079	347	1046	262
Pazardzhik	Pernik	Pleven	Plovdiv	Razgrad	Ruse	Silistra
848	496	1583	3276	461	2030	744
Sliven	Smolyan	Stara Zagora	Targovish te	Haskovo	Shumen	Yambol
1079	441	2282	541	3001	1178	502

3.6.1.2. Central Register Of Debtors

In summer 2011, the Register of Debtors was launched by the Chamber of Private Enforcement Agents (CPEA). The initial system has been in operation since the beginning of 2011 to September 2014. The need for functional and technological development put insurmountable problems in the elaboration of the existing register and the necessity of creating an entirely new system of central registry. Work on it began with the

drafting of common technical specification in July 2012 and ended with the final testing and commissioning during the month of July 2014 overall vitality of this important Chamber register, allow the development of the new system to be fully financed by funds generated from operations.

In 2014, the developers of "Devision", together with the team of the BCPEA headed PEAs Victor Georgiev, completed the final project activities range:

- ✓ Final tests of the system;
- ✓ Improving the technical operation of the system;
- ✓ Synchronization register database with record-keeping systems used in the offices of private enforcement agents (PEAs);
- ✓ Migration of the existing database to the new CRD;
- ✓ Functional retreating to accurately respond to the TOR;
- ✓ Start of the new system of Central Register of Debtors;
- ✓ Full deployment of servers Chamber and improve overall infrastructure;
- ✓ Starting a campaign on raising corporate clients.

The start of the new register and the substantial increase in the number of inquiries made by him / 29,126 pcs. - 2014; 19 362 pcs. - 2013; 7812 pcs. - 2012 / Chamber's Board need to increase the state administration of the BCPEA with one person. He was appointed officer with the appropriate education and training, responsible for the direct monitoring and non-technical support of the Central Register of Debtors (CRD). This decision on the one hand reduces the costs of the Chamber for external services and on the other hand, allows to significantly improve team communication with industry members on issues and problems with the registry. Monitoring the work of the CRD special employee significantly improve and facilitate overall development work of the system.

At the end of 2014, the project achieved the following predefined goals:

- ✓ Solving legal problems with copyright CRD;
- ✓ Opening opportunities for the free development of the system;
- ✓ Achieving technical compatibility with the filing system in the offices of the PEA;
- ✓ Functional Development of the system, including the part of accounting, administration and statistics;
- ✓ Adding feature direct web - access corporate Customer Reviews;
- ✓ Improving the infrastructure of the system, leading to more - high security, speed and possibility of recovery hardware failure.

At the end of 2014 the team of PEA, together with external experts, develop a strategy to attract corporate clients. In fact the first

banks approved by the Chamber Board as users direct web - service register. This can be considered achieved one of the main objectives set for the project "New Central Register of Debtors".

3.6.1.3. ELECTRONIC DISTRRAINTS

In 2014, the Council of PEAs continue its efforts for the practical realization of the idea of imposing electronic distraints under Article 450a of the Civil Procedure Code (CPC). Unfortunately, despite legislative changes in the Civil Procedure Code (CPC) and technical readiness of the platform administration, the introduction of this method has not undergone any development. The importance of "an attachment" to the Chamber and the entire system of law enforcement determines the consolidation of political will to implement it as a primary task for the next Chamber's Board in 2015.

3.6.1.4. SYSTEM FOR ELECTRONIC/MACHINE VOTING

For the first time in the 2012 elections to the bodies of the BCPEA was held in electronic form. Experience and Innovation of the Chamber was quickly adopted by other similar organizations. Considering the experience and after analysis of the arrangements in the Private Enforcement Agents Act and the Statute of the Chamber of BCPEA team conducted a study to improve the process. The General Assembly in 2015, the delegates of the forum will be offered the possibility of voting machine, combining the speed and convenience of electronic, security of traditional voting.

3.6.2. Training

If you enter the perimeter of the original preparation of training university candidate lawyers, it is in the area of enforcement, training is sparingly. Graduates lawyers are not well prepared for work in the enforcement of judgments. In law schools, it seems not to pay the desired attention of the enforcement of judgments. Attention is drawn to the claim procedure, and when the writ fact working on it becomes a challenge to represent the parties in it. Written literature on the subject is not numerous, but the practice of the courts - diverse. One significant detail on the process of creating law enforcement procedure is that under the Code of Civil Procedure, the possibility of unification of the practice is available on the Supreme Cassation Court (SCC). Delivery of the Supreme Cassation Court (SCC) appellate decisions controversial practice is motivated decisions that interpret the law. These decisions are binding on enforcement - Article 291 the Civil Procedure Code (CPC). Unfortunately for the current PEA, action appealed occurs on one instance - review and reversal instance District Court, coincident with the area of operation of the PEA. Exception to the general rule are two texts concerning the allocation of amounts received - Article 463 of the Civil Procedure Code (CPC) and the ruling to determine the value of property damaged or undone - Article 521 the Civil Procedure Code (CPC). This limited opportunity for review by a higher court, leading to the creation of different practices of the PEA. Decisions in many cases are contradictory in identical cases and create prerequisites for corrupt practices by the PEA, taking into account local opinion to review and reversal instance.

All of the above requires policy BCPEA in training to be active and accurate. Even with the creation of our professional organization, the

portfolio "Training" is set by the Chamber Board as one of the priorities for the development and stabilization of the profession. Since 2008 the BCPEA, conducts its own forces and means a significant number of training workshops for the PEA, employees in firms and external legal representatives of other industries. Average per year curriculum includes a workshop a month and a half. Topics are chosen, programs are drawn from established Committee on training to the Chamber's Board at the beginning of each calendar year. Problems comply with legislative changes to the PEAs need to unify the practice of certain norms. The type and frequency of training courses conducted by the BCPEA is determined largely by the interest of the members of the industry and by external users. The Commission treats with great importance the training results of the questionnaires the participants. Questionnaires give a truly realistic assessment organized by the BCPEA training in years. Of these, the Commission has an idea of the quality of the training product, the level of teachers and their skills to adapt a theme for the purposes of law enforcement, teaching content. Speakers who are invited to participate in the training programs of the BCPEA, are prominent names in the field of civil, tax and commercial law. When designing programs strive team of teachers and trainers to participate by the BCPEA, when the subject permits. On the other hand our lecturers - PEAs are often invited to teachers from other professional organizations in workshops organized by them on "Enforcement proceedings under the Civil Procedure Code (CPC)."

Since 2012, our training programs increasingly include workshops touching the competition between the universal and the individual enforcement and training of accounting topic concerning the financial aspects of the activities of private enforcement agents (PEAs). Interest in the unification and display practices in accounting arise from the exercise of control on the activity of private enforcement agents financial authorities of the Member and MP, respectively of recommendations to refine the activity as a result of the checks. The BCPEA methodology for training was developed in a way to create the one hand uniformity of training and on the other - the same systematic.

As a natural continuation of the work on the training strategy of the Chamber (vision, priorities and goals) regular meeting held in January 2014, the Chamber's Board prepared and adopted a plan and training schedule for 2014.

In 2014, the Chamber of PEAs failed to fully realize the adopted curriculum, pre-approved by the Board of the Chamber and distributed on schedule by months. The reasons are entirely objective, given the heavy years of endless battles for survival and preserve the prestige of our profession. The management of the BCPEA was extremely devoted and committed to the development of opinions, media events and personal meetings with the representatives of stakeholders to mitigate negativity and running processes to change legislation in the negative direction. Against this background, realized optimal number of training over the past year can be considered a partial success. Regarding the theme of the curriculum should be noted that the topics were relevant.

In 2014 it was conducted four courses on various topics (comparison: in 2013 the number of workshops was 8) concerning the work of the PEA, the PEAA and their employees in the offices. Two trainings were postponed

planned and successfully carried out in January of 2015. The number of trained participants in the workshops organized by the BCPEA during the reporting period was **167** (for comparison: in 2013 this number was 408).

IMPLEMENTATION OF TRAINING PROGRAMME FOR 2014

Month	Date	Training	Number of attending participants
February 2014 Pazardzhik	February 22-23	Enforcement proceedings and organization of activities in the offices of PEA	30
June 2014 Resort Pamporovo	June 13	Enforcement of the Administrative Procedure Code (APC). European legislation	50
		in the area of law enforcement	
October 2014 Sofia	October 10-11	Aspects of law enforcement in connection with the Spatial Planning Act (SPA) and CPRA Protected	62
November 2014 Sofia	November 14-15	Financial aspects of the activities of the PEA. Tax liabilities of PEAs under VAT	25
			TOTAL: 167 trained participants

Pooled data from questionnaires participants in the workshops, the main composition which consists of PEAs and their employees show that trends remain good, but it is necessary and any change in such system applied training. Respondents have recommendations on teaching content, teachers, number and way of organizing (travel to a certain city and place / courses).

The foregoing clearly illustrated by the following table:

Evaluation of training courses organised by the Chamber of Private Enforcement Agents (CPEA) by year					
	Overall evaluation	Trainers	Content of educational material	Price	Number of training workshops over the year
2010	4.47	4.72	4.75	4.66	4.31

2011	5.00	5.06	5.10	4.97	4.78
2012	4.97	5.03	4.93	4.95	4.76
2013	5.02	4.85	5.00	4.84	4.80
2014	4.77	4.70	4.69	4.62	4.65

It is noteworthy that a total evaluation of the PEAs for organized workshops in 2014 is lower compared to the previous three years. The overall assessment of participants 4.77 - 0.25 lower than the overall assessment for 2013. In light of the above, of the undoubted difficulties were doing in the past year, this assessment is natural consequence. On the other hand, the results of this year's survey show that there is some dissatisfaction with the PEAs of the methodology and principles of conduct of the training strategy of the Chamber. Some colleagues have made specific proposals in relation to the development program of the BCPEA for 2015 in its part "Professional knowledge - vocational training." They believe that this kind of training in the form of workshops conducted in a certain place at a certain time, makes participation in those inaccessible to the majority of his colleagues. The need for physical presence, in many cases difficult to reconcile with the professional and personal commitments, resulting in omission of important and interesting from a professional point of view trainings. Last but not least, this way of organization and conduct involves a lot of expenses such as rent of rooms, materials, paper, additional costs. Since all PEAs have the necessary equipment, it has received proposals for organizing the training in the form of webinars - much more accessible and convenient, according to the authors of the proposal form for enhancing the professional qualifications.

Forthcoming new management of the BCPEA to discuss these proposals and to make a comprehensive analysis of the results of applied until the training strategy of the Chamber. They will be the basis for future management decisions towards improving the quality of services offered to members on improving their professional qualifications.

Of course, the main driver of this is the interest of the PEAs and the ever-increasing such by outsider's industry persons having contact with the work of the PEA. Therefore sympathy of all members of the Chamber to the efforts of the Chamber's Board logically would increase the quality and effectiveness of training offered. Our ideas for themes and forms are important, mainly because we enjoy them so admire and suggestions of colleagues in this direction.

3.6.3. ELECTRONIC DATA EXCHANGE WITH THE NATIONAL REVENUE AGENCY (NRA)

Practical implementation of the agreement with the NRA for interaction and exchange of information revealed that there are a number of problems, the elimination of which requires an active position and work on the part of the Chamber of Private Enforcement Agents. And in 2014, representatives of the BCPEA talking with representatives of the NRA for the signing of a new agreement or supplement the current widening the scope of services, but the differences in the positions of the two institutions remain. Our main objective in the light of electronic

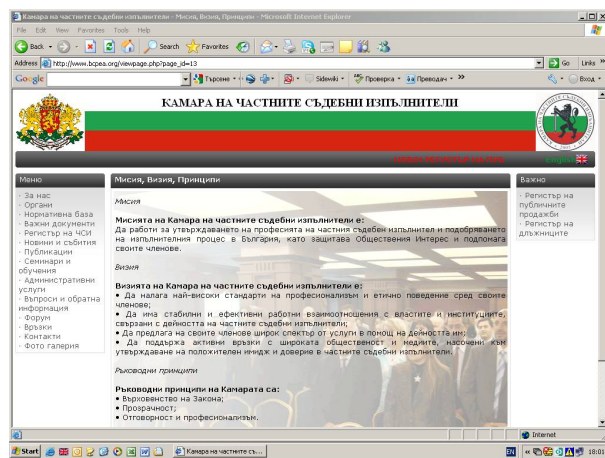
services to move from web-applications and receiving information by e-mail to complete the exchange of data with the information system of the National Revenue Agency.

3.6.4. Additional agreements with OCSF extending the electronic records

By signing individual agreements with the PEAs DG «OCSF» of Works, electronic access to the register of HBS «Population» has become a major tool for the job of private enforcement and major competitive advantage over DUI. The practice of using the register showed that the extent permissible under its reference does not meet the needs of the enforcement proceedings. In 2013, on the grounds of our letter with a request to extend the scope of the Works concluded between PEAs and agreements by DG «OCSF» responded to our request and granted a request by the BCPEA additions to the text of the individual agreements which finally cover all necessary enforcement reports. At the end of 2014, however, establish the existence of an additional and serious problem regarding access PEAs information in HBS, which proved that there are no data to restrict the rights of the person / type of restriction / and died debtors. This will require the preparation of a new request to the Works and then to be made in early 2015.

3.6.5. INFORMATION AND ADMINISTRATIVE SERVICES

Analysis of the results from the past 2014 shows that members of the Chamber are relatively satisfied with the way the communication tools. On the one hand, it is satisfied with the information received on the



activities of the Chamber. On the other hand, have security, to have reliable feedback to the administrative team and the governance of the BCPEA and you can get advice and support on issues and problems of daily dynamics in offices.

Important role in this process to build mutual trust played and held national meetings and daily contact with the administration of the BCPEA year. Every member of the Chamber has the responsibility to

build the image of the profession. Professional activity and morale of each PEA, has a direct impact on the work and reputation of his colleagues. PEAs has the right to request updated information and quality services, but also has the obligation to comply with the rules and policies adopted by the governing bodies of the Chamber.

We strive to regularly update the website of the BCPEA. But on this issue there is still a lot to be desired. This is expressed most clearly by PEA, participated in the annual poll. Colleagues say unquestionably the opinion that having a web - site of the Chamber to be fully upgraded and modernized.

In the section «Jurisprudence» publish judgments of the courts of the Republic of Bulgaria in connection with the enforcement. After nine years effective operation of private enforcement already accumulated some case law in the form of important court decisions in enforcement.

We publish these decisions to benefit the parties in the enforcement process, and to unify the practice of courts throughout the country. In addition, we can add that the members of the BCPEA have a need for collection, compilation and analysis of existing case law and making it available for use in a closed forum on the website of the BCPEA. We hope to have the opportunity in 2015 to provide this new service for the PEAs.

Section "Important documents" in the section "Legal norms of the EU" contains all main European directives, regulations, procedures and instructions concerning cross-border enforcement of judgments and obligations of private enforcement agents (PEAs) in Bulgaria resulting from the country's membership in the European Community. As part of the information campaign of the BCPEA in 2014, and updated the section "Questions and Answers" on the web - page with us to provide additional information to citizens and the opportunity to ask specific questions via the feedback form.

The section «Training» constantly updated information about upcoming workshops organized by the Chamber of PEA. Section «Register of PEA» supports one hundred percent the most recent data on private enforcement agents (PEAs) assistant - private enforcement and related circumstances.

In 2014, we restored the tradition of issuing a newsletter of the Chamber. It is a tool for internal communication and industry periodically and systematically inform its members about the main activities, processes, legislative changes and important trends that are relevant to the profession of private enforcement agent. The purpose of the newsletter is to provide information on the activities of the Chamber to distribute national and regional initiatives of the Chamber and its members thus is useful for the entire professional community. The first newsletter was sent to all PEAs on July 18 and covered the period from the first half of the year.

The Newsletter is distributed in electronic format. He sent e-mails to the PEA, to their offices and associates. Newsletter addressed and traditional partners of the Chamber business organizations, banks, Ombudsman, etc. The newsletters were presented key findings from the annual statistical reports for 2013. The PEA, PEAs information campaign news from the world of law enforcement, partnership initiatives, pronouncements of the Chamber, legislative changes, etc.

In order to maximize awareness of their members for all media publications reflecting the activities of private enforcement agents (PEAs) in the second half of 2014. The Chamber's Board discussed the termination of the contract with the Information Agency "Focus" with the subject "Online Media - monitoring the activities of private enforcement agents (PEAs)." The service was provided for consideration of the Chamber of PEAs in the last five years. Recently, however, it was detected quite gaps related publications in national and regional press. Council members considered that it would be better to allow another provider to provide better quality and competitive service. After consideration received new offers from news agencies and measuring the ratio of price, quality, governance of the BCPEA decided to contract with the Bulgarian Telegraph Agency contractor service "electronic press clipping" - tracking a given topic in emissions BTA, online and print publications in national and regional media. Since

that time, members of the BCPEA receive the fullest possible information from national and regional media on the topic "enforcement". The management of the Chamber considers that this initiative and investment makes sense and sincerely hopes to be useful members of this service in 2015.

During the reporting period the Chamber continued to perform and standard administrative services for its members - entries and deletions from the register of private enforcement, changes in circumstances Registry administration of the Central Register of Debtors (CRD) and other records maintained by the BCPEA, collection, compilation and analysis of statistics and information about the PEA, issuance of certificates, official memos and other documents, issuance of identity cards, cases and signs, distribution of publications of the BCPEA, document, administration of complaints overall administration of the disciplinary process in disciplinary proceedings and support the work of DK of the BCPEA, organizing national and regional fora, training and many others To be as informed about measures taken by the Chamber's Board decisions at its meetings, and the results of their implementation, all Chamber members receive regular e-mail records of the meetings full volume.

3.6.6. SERVICES UNDER DEVELOPMENT

Creation and implementation of a unified integration platform, providing comprehensive information on debtors' assets - it is in our opinion an ambitious but feasible project that the Chamber of PEAs started working at the end of 2014 together with the «Information Service» AD. These are gathered in one place information about debtors from OCSP, AGKK Property Register, Commercial Register, NSSI, NRA, traffic police, customs, etc. The idea is that in the longer term, this platform to take including administration fees of law enforcement. In keeping system at the office of the PEAs will enter the platform through PIN / Bulstat the debtor. Our partners «Information Service» have an adequate technical and financial potential, to ensure that electronic system. What is needed is institutional support they can get from PEA, notaries, lawyers, etc. interested legal professions. Just on these issues hard work will lie ahead in 2015.

Another brand new and already urgent project is to create a comprehensive file-keeping software for the administration of the Chamber, which includes incoming and outgoing records, complaints, disciplinary proceedings, summarized case, results of meetings of the bodies of the BCPEA, etc. The idea is not new, but until now has not yet been established. The results of this year's survey of the PEA, however, gave us confidence that this is a project that should be implemented in 2015. Colleagues themselves indicate that the introduction of the single filing system of the BCPEA will considerably ease their job and, but apart from that would create systematization, traceability and verification of the administrative processes at the headquarters of our organization.

Hopefully in 2015 then to happen, the system for the attachment electronically. The initiative is in the hands of the Ministry of Justice. Bringing the project to fruition will prove the willingness of the Ministry for the introduction of a modern European approach in court - implementing procedures that will reduce about 30 times the fees for citizens and businesses.

One of the objectives that the new management of the BCPEA has set itself for the coming 2015 is the real start of the project "Rules of practice PEAs in relation to their disciplinary responsibility." The idea of this project is ripe for some time, but waited to gather enough practice of the Disciplinary Committee and the Chamber's Board on the occasion of complaints against actions of the PEAs and the resulting decisions to initiate disciplinary proceedings. At this stage suggests that there are already sufficient volume database for the past nine years, including: number of complaints against the actions of the PEA; type of underlying disorders; number of disciplinary proceedings; number of enforced decisions of disciplinary proceedings of the BCPEA; penalties imposed, etc. For the implementation of the project in the BCPEA it is necessary to establish a working group with the participation of internal and external experts.

We expect the development of the project «Webinars», through which the system trainings for enhancing the professional qualifications of the PEAs and their staff will move to a new stage - a modern, contemporary and European approach. The proposal again came from members of our industry and to be thoroughly discussed by the new Council Chamber.

Market surveys continue in accordance with the needs of the Chamber of buying new office. Let's hope that in 2015 this initiative will be completed successfully and the Chamber will have a new modern office building - headquarters of the organization in the city of Sofia.

REPORT

On the activities of the Disciplinary Committee with the Chamber of Private Enforcement Agents for 2014



Dear Colleagues,

In 2014, the Chamber of Private Enforcement Agents (CPEA) received a total of 449 complaints, keeping the trend of increasing number. For example, in the previous 2013 number is 484, in 2012 - 419 in 2011 - 369. For greater contrast in comparison with previous years, complaints in the not so distant 2009. A total of 282 in 2014 compared with the past, which is almost 63% increase.

The analysis shows it is due to the growing number of law enforcement cases, on the one hand and on the other hand, the increased public confidence in the Chamber of Private Enforcement Agents (CPEA) acting as an objective remedy for Private Enforcement Agents (PEAs) with alleged misconduct. Unfortunately, this data are also indicative of the increasing number of poor practices in enforcement cases committed by some Private Enforcement Agents (PEAs). The following statistical facts regarding the Disciplinary Committee come in support thereof.

Here is the place to mention that **the increasing number of complaints does not mean a larger number of justified complaints.** Out of 449 complaints received in total in 2014, 303 were unfounded; 17 complaints were revoked; 43 were addressed with recommendations; 20 complaints were rejected, unattended and found to be beyond the competence of the Chamber's Board. On 23 cases it was decided to initiate disciplinary proceedings, while the remaining 43 complaints are pending consideration and decision in 2015.

In summary, nearly 70% of the complaints filed are unfounded and showing no evidence of disciplinary breach; about 10% ended with recommendations to the Private Enforcement Agents (PEAs) concerned to correct their activity accordingly.

Disciplinary proceedings initiated are under 5% of all complaints received for the reporting year of 2014.

Decisions taken in 2014 by the Chamber Board to institute disciplinary proceedings were **25** complaints (23 complaints in 2014. In two previous complaints from 2013.). Based on those instituted **17** disciplinary proceedings - **12** only by a decision of the Chamber Board of PEAs and **5** together with the request by the Minister of Justice. Due to the identity of the subject and the countries of the complaints were joined for consideration in an industry with a view to procedural economy.

For comparison with 2013: Out of 484 complaints received in total, 338 were unfounded; 15 complaints were revoked; two complaints were subject

to thorough checks and 47 were addressed with recommendations; **12** complaints were rejected, unattended and found to be beyond the competence of the Chamber's Board. Nine complaints led to initiation of disciplinary proceedings.

For the period from 2006 until the reporting year of 2014, the Disciplinary Committee with the Chamber of Private Enforcement Agents (CPEA) has opened a total of **204** disciplinary proceedings against Private Enforcement Agents (PEAs). Ruling decisions on them are **177**. Pursuant to Article 70, paragraph 1 of the Private Enforcement Agents Act (PEAA), disciplinary proceedings may be instituted at the request of the Minister of Justice or by virtue of decision of the Chamber's Board. According to these criteria, the figures are as follows:

In **2006 - 5 disciplinary proceedings - three** disciplinary proceedings by the Chamber's Board and **two** disciplinary proceedings at the request of the Minister of Justice;

In **2007 - 4 disciplinary proceedings - three** disciplinary proceedings by the Chamber's Board, **one** disciplinary proceedings at the request of the Minister of Justice;

In **2008 - 15 disciplinary proceedings - five** by the Chamber's Board, **nine** disciplinary proceedings at the request of the Minister of Justice and **one** disciplinary proceedings at the request of both bodies collectively;

In **2009 - 21 disciplinary proceedings - fifteen** disciplinary proceedings by the Chamber's Board, **six** disciplinary proceedings at the request of the Minister of Justice;

In **2010 - 21 disciplinary proceedings - nine** disciplinary proceedings by the Chamber's Board, **twelve** disciplinary proceedings at the request of the Minister of Justice;

In **2011 - 17 disciplinary proceedings - nine** disciplinary proceedings by the Chamber's Board, **eight** disciplinary proceedings at the request of the Minister of Justice;

In **2012 - 16 disciplinary proceedings - eleven** disciplinary proceedings by the Chamber's Board, **five** disciplinary proceedings at the request of the Minister of Justice;

In **2013 - 30 disciplinary proceedings - ten** disciplinary proceedings by the Chamber's Board, **eighteen** disciplinary proceedings at the request of the Minister of Justice and **two** disciplinary proceedings at the request of both authorities;

In **2014 - 75 disciplinary proceedings - twelve** disciplinary proceedings by the Chamber's Board, **fifty-seven** disciplinary proceedings at the request of the Minister of Justice (four of them are subject to parallel judicial and financial probing), and **six** disciplinary proceedings at the request of both authorities;

It should be noted that in 2014 the Minister of Justice received 67 requests for initiation of disciplinary proceedings carried out financial, and judicial review of the PEA, which is **over 75% of disciplinary proceedings for the previous year.**

Statistics clearly shows that for the last nine years the Chamber's Board has initiated the formation of **76** disciplinary proceedings, while the Minister of Justice initiated **119**. **One** disciplinary case was initiated after a joint inspection of the two institutions, where the decision is to impose the penalty "deprivation of legal capacity for a term of one year", which was subsequently appealed by the affected private enforcement agent (PEA) and upheld by the Supreme Cassation Court (SCC). **Eight** disciplinary proceedings were initiated at the request of both authorities and both date of the past 2014.

It is noteworthy that only in the reporting year by the Minister of Justice received such requests for initiation of disciplinary proceedings as they are received from this total for the previous eight years.

For the period 2006-2014, the Board of the Chamber of Private Enforcement Agents (CPEA) has proposed the following penalties: „fine“ - on **69** cases; „deprivation of legal capacity“ - on **13** cases (including **4** requests for deprivation of legal capacity for a period of five years, **3** requests for deprivation of legal capacity for a period of three years, **2** requests for deprivation of legal capacity for a period of two years and **4** requests for deprivation of legal capacity for a period of one year) and **three** requests for "warning of temporary deprivation of legal capacity".

During the reporting year 2014, The Chamber Board of PEAs has proposed the following penalties: "fine" - **15** times, "warning temporary incapacitation" - **2** times; "Incapacitation" - **4** times (of which **1** request for imprisonment for a period of two years, **1** request for imprisonment for a period of **1** year and 6 months and **2** revocation of capacity for a period of 1 year).

During the past year, the trend in claims for engaging disciplinary responsibility, the Minister of Justice does not indicate the type and amount of punishment, there is only one exception to this pattern in one of the conducted disciplinary hearings by the representative of the Minister stated punishment by type and size, namely: deprivation of legal capacity in minimum size.

Three-year term, this Disciplinary Commission opened a total of **121** disciplinary proceedings, which is nearly 60% of all initiated disciplinary PRODUCTION over the past nine years. For the unprecedented workload of the Disciplinary Commission mandate in 2012. - 2014 link and data sessions held in disciplinary proceedings. For calendar 2014. They have conducted nearly **90** disciplinary hearings, and over the entire term - over **140** during 2012. They had **29** meetings, and in 2013. - **26** meetings. This statistic alone speaks for about 300% increase in the workload of this important activity of the BCPEA authority.

Three-year term, the Disciplinary Committee has pronounced 97 decisions. Has refused disciplinary proceedings at the request of the Minister of Justice, and a decision of the Chamber's Board for disciplinary proceedings, the appeal is withdrawn and is not formed.

Formed in 2014 in the book. A total **75** disciplinary proceedings, the Disciplinary Committee has rendered **49** decisions. Declared solve are 10. The other 16 industries expected scheduling meetings.

Throughout 2014 and the beginning of 2015, the Disciplinary Committee issued a total of **60** decisions. Compared with the previous two years, this is an indication of the extreme workload of the Disciplinary Committee, which is evident from the data itself, in 2012 the Disciplinary Committee has rendered 20 decisions, in 2013 - **25**.

Reserved trend Disciplinary Committee to impose a penalty "fine", as **22** of these 60 decisions has pronounced such punishment; He has imposed a punishment "reprimand" rejected five requests for initiation of disciplinary proceedings, imposed a two disciplinary sanctions "deprivation of legal capacity for a period of one year," a "warning incapacitation" terminated is one, one is left without consideration as inadmissible and **27** decisions. It ruled that it does not impose a disciplinary sanction.

It should not be credited to the view that the disciplinary committee has not declared its decisions within. The following data shows that the disciplinary panel held its decisions are as follows:

In 2012 - **20** decisions handed down:

- Up to **1 month** - **18** decisions, which is 90% of all decisions rendered in 2012;
- **1 to 3 months** - **2** decisions, which is only 10% of all decisions rendered in 2012.

In 2013. - **25** decisions handed down:

- Up to 1 month - 12 decisions and 48% of decisions adopted in 2013;
- **1 to 3 months** - 6, which is 24% of decisions adopted in 2013;
- **3 to 6 months** - 5 or 20% of decisions adopted in 2013;
- From **6 months to 1 year** - 2 decisions or only 8% of decisions adopted in 2013;

In 2014 - 60 decisions handed down:

- Up to **1 month** - 33 decisions and 56% of decisions adopted in 2014;
- **1 to 3 months** - 17, which is 27% of decisions adopted in 2014;
- **3 to 6 months** - 8 or 14% of decisions adopted in 2014;
- **From 6 months to 1 year** - only two solutions, making it less than 3% of all decisions rendered in 2014.

By analogy, the assessment of judges from various courts in the country is carried out and criteria for taking decisions on time. Evidenced by the data presented, the chairmen of the disciplinary panel have declared their decisions extremely timely. No decision given later than

one year after the last meeting that cannot be confirmed for the majority of judges in the country.

In summary it could be concluded that the disciplinary panel shall issue its decisions within one month in total for three years in absolute value is approximately 66%.

During the reporting period are still in force **21** decisions in disciplinary proceedings, six of which were subject to cassation review before the Supreme Court of Cassation. From **two** contested decisions were confirmed, **two** were cancelled, **one** was amended and **one** is left without consideration.

Final decisions on disciplinary proceedings conducted for the period 2006. - 2014 a total of **122**. The other **82** have proceedings pending before the Supreme Court forthcoming meetings scheduled disciplinary proceedings or awaiting the pronouncement of the disciplinary committee by decision.

The result of the final decisions in the past nine years is as follows:

By punishment under Article 68 of the PEAA are **78** of them, respectively:

- Reprimand - 14 (fourteen);
- Fine - 55 (fifty-five), of which:
 - ✓ 22 size of the fine of BGN 100.00 BGN to BGN 1 000.00;
 - ✓ 25 are in excess of BGN 1 000.00 BGN 5 000.00;
 - ✓ 6 are in excess of BGN 5 000.00, BGN 10 000.00 incl. and
 - ✓ 2 in excess of 10 000.00 BGN (two disciplinary 000.00lv 20);
- Warning incapacitation - 3 (three);
- Incapacitation - six (6) as follows: one for eight months, two for one year and three disciplinary sanctions for three years;

Without penalty imposed completed **17** disciplinary proceedings. Final decisions of judgment "terminated" are **7**.

From other disciplinary cases in which there is an effective decision, **5** were completed with rejected, **6** were cancelled, **5** and **6** were cancelled were left without consideration and without respect.

Appealed to the Supreme Court are a total of 92 rulings of the Disciplinary Commission for the period 2006 - 2014. Of these, 66 have entered into force. The other 26 pending proceedings the situation is as follows: 10 were stopped by TD No. 2/2013 of the General Assembly of the Criminal, Civil, Commercial and Civil Societies and Trade Associations at the Supreme Cassation Court (SCC), 3 have been announced to address 10 in the time limit for appeal, a hearing is scheduled, and the two are left without consideration.

In the aforementioned **66** units entered into force decisions on appeal to the Supreme Cassation Court (SCC) ruling of the cassation instance is as follows:

- 31 of the decisions voted by the Disciplinary Committee are upheld by the Supreme Cassation Court (SCC), including four for „temporary deprivation of legal capacity“, respectively, one for a period of one year and three for a period of three years;

- On 5 cases, the Supreme Cassation Court (SCC) has revised the type or amount of the penalty imposed;
- On 18 cases, the Supreme Cassation Court (SCC) repealed the penalty imposed;
- On 5 cases, the Supreme Cassation Court (SCC) invalidated the decision rendered by the Disciplinary Committee;
- On 7 cases, the decisions were returned, left without consideration or without concern.

From 52 decisions of the Disciplinary Committee enacted in 2014 and early 2015, **22** were appealed to the Supreme Cassation Court (SCC), cassation ruled as follows:

- upheld - 2;
- revoked - 2;
- suspended - 3;
- no concern - 1;
- two were declared solving and has a scheduled meeting;
- the remaining 10 are in appeal procedure.

As an undisputed conclusion for the past two years have the fact that the Supreme Court generally upheld the judgment of the disciplinary panel decisions. The motives for engaging disciplinary liability of private enforcement agent found its confirmation and the acts of the court.

The analysis of the Disciplinary Committee's activities during the period shows that some of the main offences are as follows:

1. Accession of creditors under Article 456 of the CPC on the basis of a cession agreement in breach of Article 429 of the CPC;
2. Goes beyond the subjective limits of the writ;
3. Violation of the procedures for public sale of real estate;
4. Violation of the provisions of Article 79 ZSCHI by not prepare accounts for charges;
5. Violation of the provisions of Article 80 Private Enforcement Agents Act (PEAA) and lack of collected and paid upfront fees from the creditors;
6. Systematic and widespread non-compliance with Ordinance No. 4 / February 06, 2006 on the official archives of the PEA;
7. Disorders related to amounts received in the performance - Article 455 of the Civil Procedure Code (CPC);
8. Financial offenses.

It should be noted that nearly 15% of the generated in 2014 disciplinary proceedings were for violations of PEAs in the formation and movement of law enforcement cases in which the assignment is made by the creditor - transferring his claim for a writ of third parties. The consequences of these actions lead to excessive charging of fees and expenses borne by the debtor enforcement proceedings as a result of the accession of creditors. The formation of law enforcement cases of a similar type and nature in the presence of assigning a claim writ is reason for initiating disciplinary proceedings and by the Chamber

Board and by the Minister of Justice. In most requests for initiation of disciplinary proceedings made by the Minister of Justice for violations of this type has been made and further request pursuant to Article 70, paragraph 1 of the Private Enforcement Agents Act (PEAA) temporary removal from office of the PEAs until completion of disciplinary proceedings.

Elitsa Hristova, Chairperson of the
Disciplinary Committee with the Chamber of
Private Enforcement Agents



REPORT

On the activities of the Control Committee with the Chamber of Private Enforcement Agents for 2014



Dear Colleagues,

2014 was another year in which problems have become in our daily lives. In the first half of the year lawmakers from different parliamentary groups, riding the wave of populism and demagoguery, which alone created competed to pay bills for the PEAs. The governance of the Ministry of Justice, which we thought to be a reliable partner, initiated a series of actions inexplicable to us. Formed in dozens of unfounded disciplinary proceedings against colleagues. At the last possible moment, without any debate, rationale, financial analysis and impact assessment, submitted to the Ministry of Justice

Ministers draft changes to Private Enforcement Agents Act (PEAA) TTP. The same was adopted by the then government in gross violation of the law, since it was not followed conciliation procedure. The management of the BCPEA was put to great test as a first attempt to break the unity of the industry, it will be subject and the individual PEAs to work in fear of retribution against them by way of disciplinary proceedings.

In such a situation, the Chamber Board had to meet the goals and objectives it had set itself, which could not affect the results.

The Supervisory Board of the Chamber of Private Enforcement besides that performed its supervisory powers under Article 64 of the Private Enforcement Agents Act and sought to fully assist the Council, given the external situation. Chairperson of the Board participated in meetings of the Chamber Board, as well as in numerous meetings, workshops and media appearances, including the national televisions.

The Control Committee believes that **the activities of the newly elected Chamber's Board are legitimate, effective and in the spirit of continuity**. It held 14 meetings, including 2 non-attending and 1 off-schedule. We adopted 698 decisions in total, including 144 on current operational and economic issues and 554 on complaints received. Meetings are held on a regular basis and in the required quorum, while decisions are taken in strict accordance with the Chamber's Statutes and Internal Rules. The Board members are divided into committees, assigned with the relevant portfolio of responsibilities. At each meeting, they are informed of the implementation of earlier decisions adopted, ensuring compliance with the terms of the implementation thereof.

During the reporting period, **the Chamber continued to operate as an autonomous and financially viable organisation**. Revenue of the Chamber in 2014 totalled BGN 626,462.57. Revenue from business activities amounted to BGN 308,026.61.

Following analysis of the costs incurred, the Control Committee concluded that **costs incurred are reasonable and appropriate**, consistent with the budget adopted and enacted by the Chamber's General Meeting and in accordance with decisions of the Chamber's Board. All costs incurred amount to BGN 476,658.26 whereas the main costs are allocated for payroll expenses to pay wages of the Chamber's administrative staff, maintenance costs of the Chamber's office, consumable supplies, subscription services, secondment trips, website maintenance, contractual subscriptions, etc.

The positive financial result of BCPEA for 2014 amounts to BGN 149,804.31 /economic and non-economic activities/. Reserves for future periods amount to BGN 989,712.38, which is several times more than the preceding reporting period.

Accounting and financial records are maintained in accordance with the national accounting standards, which was confirmed and completed in the period December 19, 2013- June 10, 2014 following an inspection of the Chamber of PEAs by the NRA.

The Chamber of Private Enforcement Agents (CPEA) is a financially stable organization and develops upstream, which is indispensable to enable it to better protect the rights and interests of our profession, the citizens, businesses and the community in general.

Georgi Dichev,



Chairperson of the Control Committee
Chamber of Private Enforcement Agents