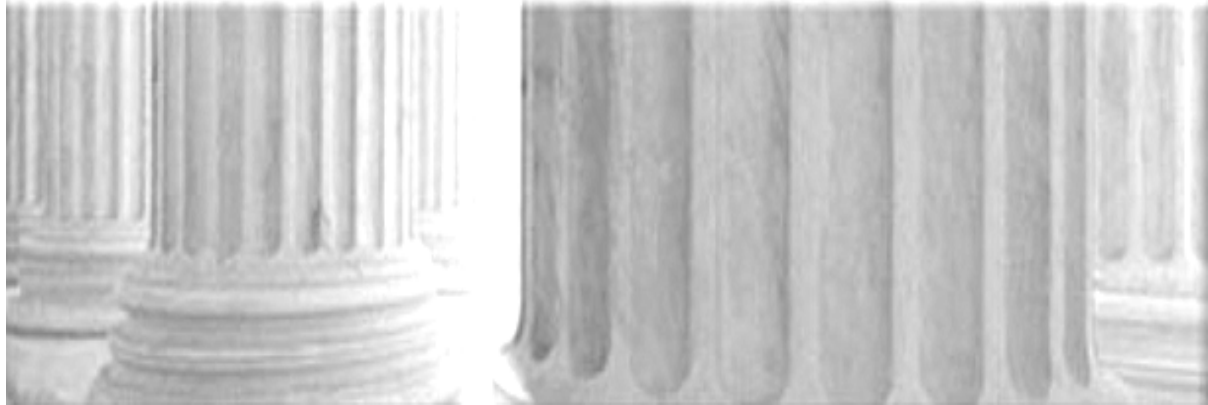




REPUBLIC OF BULGARIA



CHAMBER OF PRIVATE ENFORCEMENT AGENTS



ANNUAL REPORT
2015



Distribution and number of private law enforcement agents /193/ within the territory of the Republic of Bulgaria as per legal areas of action in 2015

Blagoevgrad	8	Kyustendil	4	Sliven	5
Burgas	12	Lovetch	3	Smolyan	1
Varna	9	Montana	2	Sofia City	43
Vidin	2	Pazardzhik	9	Sofia District	8
Veliko Turnovo	8	Pernik	4	Stara Zagora	10
Vratsa	5	Pleven	8	Targovishte	2
Gabrovo	4	Plovdiv	15	Haskovo	4
Dobritsch	6	Razgrad	3	Shumen	6
Kardzhali	3	Ruse	5	Yambol	2
		Silistra	2		

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ADDRESS OF THE CHAIRPERSON



Dear Colleagues, Ladies and Gentlemen,

A year ago, the General Assembly of the Chamber elected new governance of our organization. The new team was supported by an overwhelming majority of the profession, not only because of the personalities in it, but for the policy and programme that it proposed. Private enforcement agents in Bulgaria firmly said: "Our flag is the law, law and regulations, we are not collectors of taxes, we are judges on enforcement". It inspired

strength and ambition to the new governance to work for the quick achievement of goals outlined.

From the first day we have started working hard to implement our programme, though our mandate starts in a difficult situation. The external environment was extremely negative and hostile. Populism was there for long time, both in institutions and in the media. Only the National Assembly had several bills that literally eradicated law enforcement in Bulgaria. With a lot of work, publicity, with many meetings and conversations we were able to convince lawmakers that the proposed changes are extremely harmful to the rule of law, business and citizens. Eventually the bills were rejected.

We have recovered dialogue with the Justice Ministry (which was prerequisite for the composition of its new governance). As a result, the work on our proposals for amendments to the Civil Procedure Code (CPC) intensified. The Justice Ministry has set up a large working group with the participation of many experts - judges from the Supreme Court of Cassation, private enforcement agents, lawyers. After heavy disputes and discussions, we managed to convince our colleagues that the proposals are important and necessary, and they were included in the draft by the Council of Ministers, which was submitted to parliament. We cannot but mention, however, the attempt to replace one of the most important proposals on the formation of cases by address/domicile of the debtor, which was made after the dissolution assisted by some inspectors from the Justice Ministry. It was obvious and that several PEAs put personal interests above the general public, so any new debate on this important issue to debtors would not be surprising.

Along with basic tasks, our attention was engaged and held for the first time since the 2006 on national competition for PEAs, and then for assistants. Along with the Ministry of Justice, we did our best to ensure a fair and objective competition by which the most prepared, most worthy candidates will enter the profession. For the

first time tests for the written exam took place on the day of the exam itself, which eliminates any possibility of leaks, but also put the Committee members under enormous pressure. Paperwork was checked in a video without interruption overnight to ensure transparency and prompt information. Whoever has sat the exam knows that more or less there is a certain amount of subjectivity and some chance. As a direct participant in the final competition for PEAs, however, I can say that successful candidates have every right to be proud of their achievements because they have passed a tough test. I take this opportunity to congratulate the new colleagues in our profession, to wish them success and never deviate from the oath they swore: "I swear to observe the Constitution and the laws of the Republic of Bulgaria to perform honestly, conscientiously and impartially my professional duties, ... ».

Last year the Chamber was leading a consistent policy of active cooperation with the institutions - ministries, National Assembly, National Revenue Agency, Ombudsman, agencies, courts, municipalities, businesses and banks, the Bar Association and the Notary Chamber. We held dozens of meetings with their representatives. An important point in the talks with the government's award of public debts as PEAs proved to be the most effective legal instrument for debt recovery in Bulgaria. Indicative results of collaboration with municipalities, which significantly, even several fold, increased collection of public receivables. The evidence suggests that municipalities are turning to the PEAs are extremely pleased not only by the amount of recoveries, but also because it increases the total collection of debts for local treasuries. Many more individuals and companies prefer not to resort to the enforcement process and voluntarily pay their obligations, which is a demonstration of the preventive role of working with the PEAs. As a result, at our initiative meetings were organised and in 2015 the Chamber signed several cooperation agreements - with the Supreme Judicial Council, the Financial Supervision Committee and the Council for Electronic Media, which determined the conditions and procedure for the award of their claims for recovery by PEAs. We will continue to work actively in this direction, because in addition to fiscal objectives and prevention for payment obligations, we believe that there can be no rule of law where the rules provide for appropriate sanctions for their violation, if not respected and applied effectively. The actual collection of receivables by the courts is of utmost importance to us, in many cases it is a matter of fines, including under criminal convictions. What sanction has the convicted of an offense received if the imposed fine remain only on paper? No less drastic are the cases with traffic police fines as it appears that drivers with multiple sanctions continue to violate the law, whereby they incur damage and sometimes take human lives.

Serious efforts are invested in the implementation of our programme of publicity, transparency and a proactive media policy. Populism, demagoguery and sometimes outright lies are no longer ignored with an intelligence arrogance of someone knowing the truth, but they are stated and disclosed. So we will continue and we will respond to

every lie by telling the truth one hundred times. Regarding the activities of PEAs during the past year, while hundreds of materials were released in the media, it is clear that this policy has a result - publications that are objective, informative and useful for people are much more in number than before. Contributing to this are two workshops organised with the media during the year and the BCPEA will continue to organize to reach such forums as a way to disseminate objective information to citizens.

The new governance of the BCPEA entered its term with strong demand for tighter control in the industry and legal compliance of all firms. The BCPEA started to implement a new programme of internal control activities of private enforcement agents. Within this programme, in April and May 2015 we performed the first round of inspections in all 164 law enforcement offices. The audit purpose was to determine the current status, possible violations and corrupt practices in the profession. All firms with established violations received recommendations to remedy deficiencies within six months. The second round of checks is coming in early 2016 and it will focus on the removal of any irregularities found.

All disciplinary practice since 2006 of the Disciplinary Committee and the Supreme Court of Cassation has already been summarized in a special report with conclusions and recommendations. Work and criteria for risk assessment, where law firms at risk will be put under constant surveillance, as well as the creation of Disciplinary Code to consider offenses and decide on corresponding sanctions.

We have prepared the terms of reference and signed a contract with a contractor to create an electronic statistics system for monitoring and control as part of a new filing programme of the BCPEA. It will make possible the removal of all information on each private enforcement agent at the moment - cases withdrawn from court actions complaints filed against him/her, disciplinary proceedings, violations, penalties, recommendations, etc. The system will contain disciplinary case law and judicial case law and will be used by control bodies.

Another aspect of good cooperation with the Justice Ministry has been the 8-year delay in adopting Ordinance on conducting financial control of the PEAs (promulgated in State Gazette, issue 17 of 06 March 2015). In November, a workshop was held between management, members of the Disciplinary Committee and examiners by the BCPEA and the financial inspectors and those under the Judiciary Act by the Justice Ministry. The forum discussed the current problems in the Disciplinary Committee work, the control over the activities of PEA, as well as specific measures targeted to improve the interaction between the BCPEA and the Justice Ministry inspectors.

The Chamber will continue to work closely with the Justice Ministry inspectors, because this is the way to achieve full and effective control over the law offices. It is not an end in itself but a means for all PEAs to strictly comply with the law and regulations. Over the past year the Chamber's Council has been and will be uncompromising to colleagues who have intentionally committed offenses. The Disciplinary Committee (DC) also does the best, by

adopting multiple resolutions by imposing severe penalties, including several resolutions of "deprivation of legal capacity". For the first time since the law enforcement profession was introduced, at the Council request, the Disciplinary Committee ruled on suspension from office of those PEAs for the duration of the disciplinary proceedings. There is a clear trend in the Supreme Court of Cassation case law not to tolerate behavior of PEAs overstepping the law and rules in these cases.

During the past year we spent considerable human and financial resources to automate the operational processes and information in the BCPEA, including in terms of statistics, disciplinary and judicial practice, the activities of both the administration and the authorities but also of the Chamber's each individual team member. It has already introduced an electronic system of statistics on the activity of PEAs. In 2016, a single electronic filing system of the BCPEA will be designed and launched. A huge volume of documents in our archive were scanned and transferred into it and by using keywords it can be found in electronic form.

The main priority in the BCPEA activity of the since its inception is the electronic access to information on debtors, as well as for carrying out enforcement actions electronically. With its own efforts and resources, the BCPEA has created and continuously develop the Register of Debtors and the Register of Public Sales, which significantly improved transparency, awareness of the business and the final prices in ongoing auctions. The website of Register of Public Sales has recorded millions of visitors not only from the country and the Chamber was even asked by a Mayor to publish links to tenders of municipalities, as the prices that are achieved by the PEAs are much higher than those in sale by the municipality. This example is indicative of the adequacy of BCPEA's new proposals for changes to the Civil Procedure Code to allow electronic auctions and voluntary sale of debtor property in the future electronic platform.

We have launched an extremely important project in which the ultimate goal is all the information in enforcement cases to receive electronically. Furthermore, the electronic platform will release claimants, respectively PEAs, from the heavy and slow process of administering each individual state tax, which in many cases leads to defrauding creditors because, while collecting information on debtors' assets, some of them are able to transfer their assets. The platform will allow the electronic exchange of mandatory, according to the procedural laws, messages on enforcement cases, such as those to the NRA for public obligations of debtors. For the project implementation, a number of meetings were held between the BCPEA, our partner "Informatsionni Uslugi" AD and all institutions that collect information on the cases. Once again we get convinced how in a project that is of interest to people, businesses and the state, respectively the institutions, and that will reduce costs, is in fact hindered, delayed and neglected. At the level of guides, we receive understanding and agreement, but then "experts" intervene and the problems begin. No matter how difficult and hindering it is, we will not give up until we achieve the ultimate goal, which is in

line with the best European practices and recommendations of the Council of Europe on law enforcement.

Despite efforts invested, we start the year with the hope that finally the electronic distraints will be implemented in practice. In the draft of the Amendment to the Civil Procedure Code submitted to the National Assembly much better and working texts are spelled out, which we drafted together with the Justice Ministry and drafted an ordinance under Article 450a of the Civil Procedure Code (CPC), so this time we have more grounds for optimism. Electronic distraints are exemplary of the administration "capacity" mentioned above. Given that law enforcement fees are reduced in some cases 30 times, not introducing electronic distraints for 4-5 years now is ridiculous.

Last year the Supreme Administrative Court gave a final decision on the BCPEA filed administrative proceedings against changes in the Costs Tariff to the Private Enforcement Agents Act (PEAA) made on the last day of the work of the government of Plamen Oresharski. The Court upheld our thesis that the amendments were made in violation not only to procedural, but also to substantive law. On the issue of the due proportionate fee in so-called "Voluntary compliance" (voluntary compliance is before the enforcement process, which starts precisely because of the lack of payment, there is nothing voluntary when the private enforcement agent has begun law enforcement) have always been particularly sensitive, but with sober judgment, because we know the truth. It is the populist topic misused for many years to serve corporate interests. Apart from the fundamental irregularity of such ideas, the facts are indisputable: citizens do not pay their debt within the so-called deadline for voluntary enforcement, and this can only be made by big companies - monopolists and insurers. Moreover, in the short time to apply changes we clearly see the result from them - omission of PEAs to meet the 14-day period, which allows debtors to transfer their property - harmed are creditors or using all possible state compulsion to prevent the debtor to pay himself - victims are the debtors. Similar changes practically destroyed enforcement in Bulgaria, but that did not stop the corporate interest, not ashamed to offer even obviously unconstitutional provisions in the new Insurance Code. The lawmakers, however, prevented their adoption.

Some of the key priorities for the development of the Chamber next year were mentioned above - adoption by the Parliament of our proposals for improving the legislation, the draft electronic platform for access to information, increasing efficiency, quality of performance and professionalism of private enforcement agents in collection of public receivables, optimization of monitoring compliance with the law and the Code of Ethics, including in respect of unfair competition and enhanced cooperation with the institutions and the media.

Despite the extremely ambitious programme outlined by the Chamber's new team and the many tasks and problems to solve, we have invested a lot of energy and desire in the organization to celebrate the 10th anniversary since the establishment of our profession. Once again we

got authoritative international recognition, in addition to representatives from several European countries and the US, it was the President of the International Union of Judicial Officers Françoise Andrew, and the two vice presidents - Marc Schmitz and Jos Uitdehaag. Indicative are the words of Mrs. Andrew: "Bulgaria was not among the first countries in Eastern Europe, which introduced private enforcement, but in 10 years you have not only caught up, but line up with the oldest democracies where the profession's liberal model has existed for centuries."

Today, from the distance of 10 years, it is clear that together we are capable to become an effective regulator of the business, a source of revenue for both state and municipal budgets, a tool for solving problems with receivables due to employees, citizens, families. Statistics and financials from our activities are explicit - if it were not for PEAs, return of debts, stability and security of the economy and citizens is at risk. For 10 years, PEAs recovered to citizens and businesses over BGN 6 billion. For 10 years we have submitted directly to the state budget BGN 600 million. Today the law offices of the PEAs employ several thousand officers. In the first years of working in the profession, we talked a lot about the regulatory role of in the business. For billions of lev, we recovered to the business and the state budget. Now apart from this function, there is an increasingly clear focus - the social perspective - allowances, claims under employment contracts, transfer of children. This is also part of our work. In view of the foregoing, it was surprising and we received recognition from Bulgarian institutions, courts, businesses, academics and other legal professions.

I do not know how well you realize, but we are at on the doorstep of a new stage. We become an institution.

For 10 years, we have laid down the foundations of private enforcement and reached the limits of this first stage. I dare say that at one point we were at a crossroads - be successful, good contractors to work and develop our offices or can be something more than that. To become an institution. To become part of the mechanism by which the state and the law implement their commitment to the society and the economy of this country.

I think you all colleagues last year voted for this governance, just because we understand to what a crossroads we stand as a profession.

In one year we have seen the first signs that we are on the right track. No state institution, state structure, no community, no court has denied confirmation of our efficiency. They have even recognized that without us they can not do. We are no longer a collection of individual practices. The Chamber is not just an organizational structure, but a factor to be taken into account by the state.


Of course, populism, pressure, interests, even triggering the internal contradictions between us are a fact and will continue. These, unfortunately, are the rules of the environment where we operate. It applies not only to us but also to all other profession.

We have chosen the difficult road ahead and we are still a long way to go much. Therefore, my appeal to you and especially to new colleagues: when you work, think of your offices, think about your customers, but remember that you are part of the system and all your actions can affect others.

Dear colleagues:

The word "private" does not correspond to the actual role and functions of the profession and it has created a lot of problems to us over the years. A more correct term is "societal." After 10 years of hard work, although it took undeserved negative effects of the economic crisis, PEAs demonstrated that operate for the benefit of the whole society that imposed the rule of law and recovered justice. So again I will repeat what has been said at our anniversary celebration:

Congratulations, my dear colleagues, societal private enforcement agents, I wish you to stay healthy, still bold and unforgiving and never forget that nothing is impossible, there are only people for whom these things are impossible!


GUEORGUI DICHEV,

CHAIRPERSON OF THE BOARD OF
THE CHAMBER OF PRIVATE ENFORCEMENT AGENTS

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 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 rulings against Bulgaria at the Strasbourg Court;
- enforcement in Bulgaria does not function adequately to the dynamic processes in the economy and higher inter-company indebtedness;
- losses to the economy due to inefficient state enforcement exceed BGN 3.5 billion;
- loss of earnings for fiscal measured in tens and hundreds million BGN;
- acting forcefully and illegally collecting debts for 20-50% commission fee;
- universal understanding by the citizens and businesses that the rules do not apply to all and may not be observed, which determines demand and strong preventive effect of changes.

The reform of the enforcement has been carried out with the support of the US Agency for International Development (USAID) and the Institute for Market Economics.

The World Bank defined the law enforcement reform and the introduction of private contractors among the **10 most successful reforms in the World 2006**.

At the end of 2015, 193 offices of PEAs operated in our country, employing over 2500 employees.

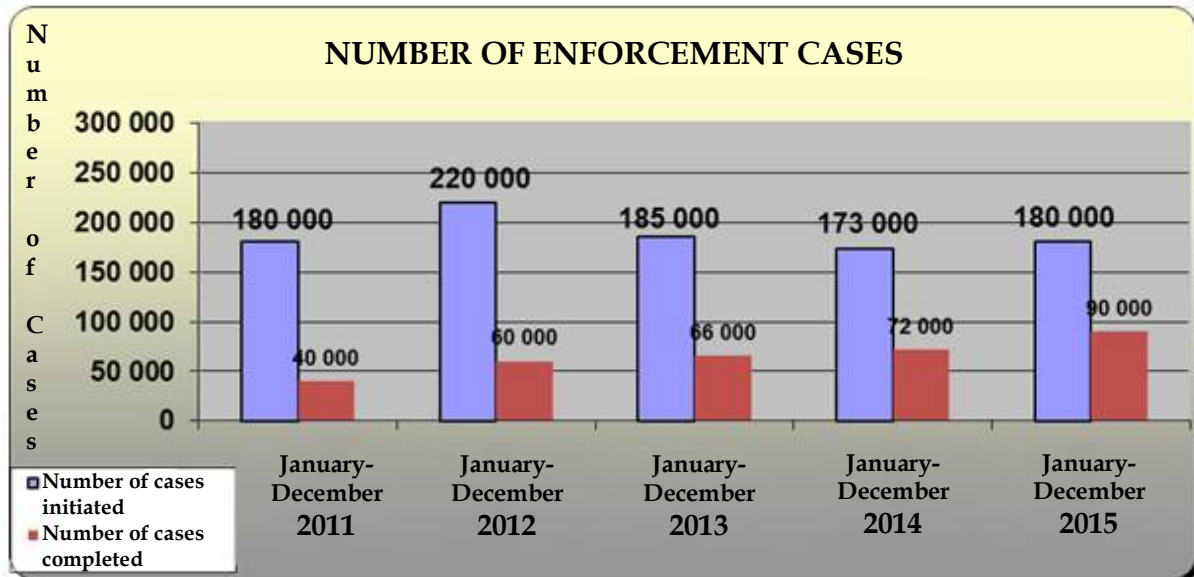
The PEA system definitely proved its effectiveness as an alternative to government law enforcement, which employs 222 state enforcement agents. For the period 2007 - 2013, recoveries in enforcement cases of public enforcement, which cost the taxpayer BGN 42 million during the time of their parallel existence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

The status and development of the system of private enforcement in numbers for the last 5 years looks like this:

<u>Initiated cases:</u>	<u>Completed cases:</u>	<u>Amounts collected:</u>
2011 - BGN 180,000	2011 - BGN 40,000	2011 - BGN 700 million
2012 - BGN 220,000	2012 - BGN 60,000	2012 - BGN 1 billion
2013 - BGN 185,000	2013 - BGN 66,000	2013 - BGN 1,135 billion
2014 - BGN 173,000*	2014 - BGN 72,000*	2014 - BGN 1 billion
2015 - BGN 180,000*	2015 - BGN 90,000*	2015 - BGN 920 million

*** Remark:** Data for 2015 are estimates, since they are still being collected and summarized.

For ten years since the inception of private law enforcement in Bulgaria, **1,369 million cases** were initiated, **440,000 cases** were closed and the total amount collected exceeds **BGN 6,310 million**.



In 2015, complaints submitted through Private Enforcement Agents (PEAs) to district courts total approximately 4350, including nearly 410 upheld by the relevant court.

The majority of Private Enforcement Agents (PEAs) in Bulgaria has authorized their assistants - in 2015, a total of 175 Assistant Private Enforcement Agents (PEAs) worked 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.

For 10 years - from 2006 to the end of 2015, PEAs have recovered to citizens and businesses BGN 6,310 billion. There is a stable trend of increasing cases in favour of the state and municipalities. Compared to 2011 the growth was 100%. Banking cases represent only 16% of all new cases. Compared to 2012, this decline is 45%. On the contrary, it works to the benefit of citizens and is not declining, but slightly increasing. The role of the PEAs in this segment has been growing. Completed cases total 440,000.

For the first six months of 2015, from the activities of PEAs over BGN 60 million was directly received at the state budget and in

favor of the citizens BGN 76 million was recovered - including BGN 1.5 million child allowance and BGN 4 million unpaid wages. For 10 years PEAs - over **BGN 600 million** was received to the state budget. Indirect benefits for citizens, businesses and the economy, and hence to the fiscal is beyond measurement.

The trend of a sharp drop of 20% compared to the peak in 2012 is no longer so clear and the number of new cases has kept the levels of the previous year. This is a signal that the worst stage of the crisis is over and the country's economy is reviving.

Distribution of cases

Cases in favour of:	I-VI 2015	2014	2013
Traders and other legal entities	51,300	97,400	104,500
Banks	14,000	36,000	39,000
Citizens	12,640	23,100	25,100
State	10,600	21,200	18,500

Private enforcement in Bulgaria meets all European criteria for a modern, lawful and effective business.

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 profession.

PEAs operate in the territory of all district courts in the Republic of Bulgaria, which are currently 193, including 97 men and 96 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 took place in 2015. As a result, 44 colleagues successfully passed both exams and were empowered with the powers of the PEA. Of these 33 new PEAs were sworn in by the end of January 2016. One PEA gave up his right to take office, and 10 colleagues in regions Varna and Plovdiv expected in 2016 the Justice Minister's order to take effect for them as the same has been appealed to the Supreme Administrative Court (SAC).

After several requests over the past two years by the Chamber Council, in mid-July 2015 the Minister of Justice scheduled a competition for assistant private enforcement agents by virtue of Order No. SD-04-160 dated 23 July 2015. Under the rules, candidates had one month to submit their documents for participation in the exam. A total of 287 lawyers stated their willingness to participate

in the competition. Of these, 3 were found to be ineligible and were not allowed to continue in the procedure. Candidates who passed the administrative stage and sat the exam were 284 people. Of these 232 colleagues successfully passed the exam with a score of at least good (4) and acquired the capacity of assistant private enforcement agents. Many of them have been officially authorized and work in the law offices of PEAs across the country.

During the reporting period, two PEAs with area of competence within District Court of Plovdiv and District Court of Shumen lost their powers pursuant to Article 31, paragraph 1, section 7 of the Private Enforcement Agents Act - both for a term of 1 year. Two PEAs - with area of competence within District Court of Varna and Sofia City Court - lost their powers pursuant to Article 31, paragraph 1, section 1 of the Private Enforcement Agents Act. One PEA with area of competence within Sofia City Court has recovered capacity after the end of his penalty pursuant to Article 68, paragraph 1, section 4 - deprivation of legal capacity for a period of 3 years.

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 members and one alternate member, while as of 31 December 2015 the administrative management is entrusted to a team of six employees on permanent employment contract and three 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 40% 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 the BCPEA management 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 result:

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?	5.26	87.63%
How do you assess the services rendered by the Chamber?	5.35	89.14%
Administrative services	5.52	91.92%
Trainings	4.94	82.29%
How do you assess the governance of the Chamber of Private Enforcement Agents?	5.33	88.79%
Activities	5.30	88.38%
Readiness to communicate with its members	5.36	89.32%
Communication with the media	5.27	87.83%
How do you assess the administrative staff of the Chamber of Private Enforcement Agents?	5.63	93.75%
Activities	5.59	93.18%
Communication with the members	5.61	93.49%
In due time	5.62	93.69%
To the extent needed	5.56	92.68%
Overall attitude	5.70	94.95%
Overall assessment of the Chamber's activities according to the needs, expectations and usefulness to its members	5.19	86.44%
What is the quality of materials produced by the Chamber of Private Enforcement Agents?	5.33	88.80%
Website	5.29	88.13%
Register of Debtors	5.45	90.91%
Register of Public Sales	5.37	89.49%
How do you assess the training organised by the Chamber of Private Enforcement Agents?	4.89	81.84%
Lecturers	4.89	81.54%
Content of educational materials	4.88	81.28%
Quality of training materials	4.92	82.05%
Price	4.58	76.41%
Number	4.75	79.23%

Public Relations		
Overall contacts with media	4.97	82.79%
Number of articles published about private enforcement agents (PEAs) in media	4.97	82.80%
Quality of media coverage and their effect on the profession of Private Enforcement Agents (PEAs)	4.94	82.29%
Interaction with the institutions	4.93	82.24%
Computerization of law enforcement procedures	4.70	78.39%
Improving the institutional environment for the work of Private Enforcement Agents (PEAs)	4.81	80.21%
How do you assess your personal participation and contribution to the activities of the Chamber of Private Enforcement Agents?	3.84	64.02%

After processing and analysis of the results, we reached the general conclusion that overall estimates for 2015 are higher compared to previous years. The evaluation of the PEAs given to administrative staff of the Chamber, which is traditionally high, is the same in absolute terms in 2015. All PEAs who have filled in and sent questionnaires (666 colleagues in total) clearly indicated in their responses that they are satisfied with the work of the Chamber and believe that there is progress and development. The overall assessment received for services it provides and its usefulness for the individual PEAs is **5.19** on a six-point scale, performing administrative services for members and this year assessed with the highest score - **5.52**.

A total of 65 respondents have determined the activity of the BCPEA as generally positive, but 1 PEA takes the opposite opinion. With regard to the question of whether in 2015 there has been progress in the Chamber's overall work in comparison with 2014, the majority of respondents find such progress and it is for good only. Several colleagues have shown that we can always strive for more results, and several other or can not judge, or see no change in the work of the Chamber compared to previous years. Significantly the opinion of a PEA, which says that over the years all gained experience (in general for the BCPEA and separately for each PEAs) that brings us wisdom, knowledge and shows us both the mistakes and the positive impact of our overall daily work.

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 2015 is **5.33** (compared to assessments made in 2014, it was 4.91, 5.29 in 2013, 5.38 in 2012, 5.30 in 2011), while the administrative team is rated with **5.63** (for comparison: 5.63 in 2014, 5.63 in 2013, 5.66 in 2012, 5.71 in 2011).

The most useful activities in the service and interest of members during the reporting period, the huge number of respondents suggest: The success of the BCPEA by Administrative case No. 4389/2015 on the Supreme Administrative Court (SAC) record on the repeal of Decree No. 215 of 25 July 2014 by the Council of Ministers for amending the Costs and Expenses Tariff to the Private Enforcement Agents Act; active work on expansion of cooperation with a number of key institutions (National Assembly, National Revenue Agency, etc.) and active participation of the BCPEA and at the Justice Ministry's legislative initiative for amendments to the Civil Procedure Code (CPC); achieved success under Article 381 of the new Insurance Code; agreements concluded with the Supreme Judicial Council (SJC) and other state institutions; timely notification of any new changes in legislation; responsiveness, relevance and fully cooperated in each set problem; trust and professional collegial respect; recovery largely on communication with Chamber members; between the administrative staff of the BCPEA and private enforcement agents there is a constant and constructive dialogue; restoring good communication with institutions and the media, which led to overcome the high degree of negativism and aggression against the occupation of the previous year; protection to society the values professed by the PEAs as a industry; comparative improvement in the institutional environment for the PEAs and real efforts to improve the image of the profession; no new restrictions and limitations in activities of the PEA, overcome many existing obstacles; great conducted celebration of the 10th anniversary of the BCPEA; holding an international forum on December 04, 2015; rapid, accurate and true support of the administration regarding regional celebration of our anniversary in cities Dobritsch, Burgas and Plovdiv; fair decisions on complaints against the actions of PEAs - justified reasons and recommendations to improve practices; maintenance of the Central Register of Debtors and Register of Public Sales; Joint projects in development with «Informatsionni Uslugi» AD; conducted training workshops for further training, especially the two highly anticipated on such interpretative decision of the Supreme Court of Cassation in interpretative case No. 2/2013; issuing the newsletter of the BCPEA; the cooperation and support of the administration and management with the adoption of the new PEAs in the ranks of the industry, etc.

Regarding the adequacy of the amount of membership dues to the activities of the BCPEA, opinions this year are not quite controversial, as those reported in 2014. Most responding PEAs consider that the membership fee for the Chamber activities is proportionate, fair, reasonable and balanced. Another part of the PEAs (approximately 2% of the total number of respondents) share the opinion that the membership fee amount is usual, but now needs a new model for determining the annual fee for members - another basis for differentiated rates should be used (for example, number of cases initiated during the previous year in offices, revenue offices of annual activity, etc.). Two 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. There is a small number of Chamber members who believe that the size of the membership fee is low and should be increased. 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 with regard to 2015 compared to the previous year of 2014. Despite this, however, the assessment of these criteria remains traditionally undervalued relative to other activities and initiatives of the BCPEA. The opinions of colleagues in this field can be summarized as follows: better and higher than previous years, assessment of interaction with the institutions - **4.93** (comparing to 2014: 4.14), achievements in the field of computerization of court procedures performance - **4.70** (comparing to 2014: 4.21). The quantity and quality of published press materials for the PEAs and the effect they have had on the profession are determined by evaluation **4.97** (significant increase of the assessment under this criterion compared with 2014, when this indicator was 4.14). It should be noted, however, that the activities of the PEAs during the past 2015 years hundreds of materials left in the media, it is clear that this policy has a result - objective, informative and useful for people publications are much more than before. Contributing to this, we held two workshops with the media during the year, the BCPEA will continue to organize to reach objective information to citizens.

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. Regarding the indicator "improving the institutional environment for job", PEAs gave an overall score of **4.81**, which is higher compared to 2014, when the same was 4.03.

When asked what, in their opinion, the Chamber may do for PEAs to assist their work, their responses point at: working-level legislative changes in order to facilitate the work of the PEAs and in particular the Private Enforcement Agents Act (PEAA) Ordinance No. 4 for official archives - inoperative and collisional texts should be revised and detailed; to draft precise and clear rules and criteria to the procedures as receiving and dealing with complaints in the Chamber and in disciplinary proceedings; to publish case law of the District Court of appeals in enforcement proceedings; systematization and publication of best practices; to neutralize and clear all negative activities of individual members of the BCPEA, which prevents favorable and positive development and establishment of the Chamber as an important societal institution; to lead purposeful work to unite different positions in the industry;

performing real action to curtail unfair competition and concentration of enforcement cases in Sofia; realization of the project «Informatsionni Uslugi» AD; unification of practices and most electronic capability of the procedures for enforcement of all institutions, especially the imposition of liens electronically and the introduction of electronic trading following the example of other countries; collection, compilation and publication for internal use of the jurisprudence of regional courts on appeals in enforcement proceedings and preparation of models of good practice for the PEAs in order to align the activities in controversial procedural issues; the introduction of an electronic filing and electronic storage of documents as well as in the law offices of the PEAs and the administration of the Chamber; conducting more training for PEAs and staff in offices; and many others. Many respondents PEAs indicated in their responses to this question that they are satisfied with the Chamber's work, no recommendations were issued and the need for governance and team to continue to work just as fairly and professionally. 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 negatives on the profession. 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 law 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: strong and effective working relationships with institutions; improving electronic access to information about debtors in enforcement cases; especially proactive communication with the media for objective reporting on the activity of the PEAs and adequate response to malicious media attacks; clear position of the BCPEA and rules applying to all; to speak openly about the negative trends in the industry that threaten the integrity and unity of the Chamber, as well as specific names; purchase or lease a new office of the Chamber in order to provide better facilities for work; introducing a better system for planning and budgeting of the main and auxiliary processes in the Chamber; to introduce simple and a specific system of intangible and intangible contribution of the members of the BCPEA in the work of the Chamber - part of the activities for which no volunteers PEAs will be transferred to employees or outsourcers; even greater willingness of management to communicate with members of the BCPEA, even to restore the practice of organizing external meetings of the Chamber Council and regional meetings in different regions of Bulgaria etc.

PEAs this year placed a slightly higher rating - **3.84** - to the usual for their personal involvement and contribution to the work of the Chamber (compared to 3.62 in 2014). This movement upwards gives hope to the management of the BCPEA that colleagues realize the importance of personal motivation and commitment of each to the common cause. The overall positive performance of the BCPEA for 2015 in support of this assessment proves that success is due to our common efforts for progress and prosperity of the profession.

3.1. National conferences and work meetings

In 2015, the Council of the Chamber continued to organize national conferences of PEAs because they obviously benefit the participants and re appreciated by most members of the industry. The Chamber Board organized two national conferences to discuss current issues and problems arising in the PEAs practice. Forums re taking place in a spirit of open dialogue and active discussion on common problems, exciting colleagues in specific regions and across the country.

After the annual reporting and election meeting in late January, we organized a workshop on strategic planning for the newly elected governing bodies of the BCPEA - the Council, the Disciplinary Committee, the Control Committee and the Committee on Legal Affairs and Supervision of the Activities of PEAs. The forum was held from 27 to 29 May 2015 in Velingrad. Highlights of the discussion were: a programme of the new management team for priorities and activities in the short and middle term; outlining the vision of each body of work over the next three-year term, identify strategic directions, priorities, objectives and specific activities. It was the presentation of the rules of procedure of the Disciplinary Committee, the Supervisory Board and the Committee on Legal Affairs and Supervision of the Activities of PEAs. After preliminary hearings in committees during the first day, their chairs presented at the joint meeting the next day the operating concepts of the bodies and sectors in charge. As a result, summarizing all constructive proposals and identifying strategic directions and priorities of the Chamber for the next three years, we have also discussed quite practical issues and the work of private enforcement agents.

On May 30, 2015 the National Conference of PEAs took place in the town of Hissar, at Augusta Hotel. During the conference they discussed the draft laws amending the Civil Procedure Code and secondary legislation to the Private Enforcement Agents Act (PEAA) - prepared by a special working group at the Justice Ministry. The conference agenda included crucial issues related to the daily activities of law enforcement offices of the PEAs and dependent forthcoming interpretative decision on interpretative case No. 2/2013 of the General Assembly of the Penal, Civil, Commercial and Civil Societies and Trade Associations of the Supreme Court of Cassation for law enforcement. Official presentation was held of the report on ubiquitous monitoring activities in the law offices of the PEAs conducted from March to May 2015. The Chamber governance

presented to colleagues the celebration draft of 10th Anniversary of private enforcement, including the conduct of a football tournament of member states of the International Union of Judicial Officers (UIJH). They discussed a number of specific procedural issues and problems of enforcement, including established vicious practices regarding the charging of fees and expenses on enforcement cases of PEAs and violation of local jurisdiction.

On October 3, 2015 Hotel "Royal Spa" in the town of Velingrad hosted the second annual National Conference of PEAs, which was held almost on the eve of the feast on the Day of the PEAs and the 10th anniversary of the Chamber of Private Enforcement Agents (CPEA). The Chamber President congratulated all colleagues and reviewed the successes and problems of the industry for the past year. The conference reported results of the PEAs in 2015. A report was dedicated to the meetings of the BCPEA with Bulgarian and international institutions, as well as the implementation of activities under the agreements concluded between the Chamber and the Supreme Judicial Council, the FSC, the CEM, the Control and Technical Inspections. During the conference, the Chamber's governance drew to the attention of delegates the preliminary draft amending the Statute of the BCPEA - in pursuance of decision of the General Assembly dated January 31, 2015, obliging the Council Chamber to prepare and submit a proposal to include it in the agenda the General Assembly in January 2016. Matters of procedural and organizational activities of the industry were discussed, mostly related to uniformity of practice in enforcement proceedings in connection with the interpretative decision of the Supreme Court of Cassation; the introduction of electronic auctions for carrying out the public sale by PEAs; current competition for private enforcement agents etc.

By organizing national conferences and workshops of the PEAs, and continuous communication that flows by e-mail between the administration of the Chamber and its members, the Chamber Council seeks to pursue a policy of information, so that all colleagues to be constantly aware of the activities and commitments of our professional organization.

At the end of last 2015, the Chamber of Private Enforcement Agents properly celebrated their professional holiday and the 10th Anniversary! Overall, throughout the year there were events and activities that went under the motto of this celebration - an international football tournament in June, regional celebrations in November, official events on December 4.



November 16, 2015, city of Burgas

On the occasion of the 10th anniversary of the Chamber of Private Enforcement Agents, a scholarship of BGN 1,000 was established to be awarded to the best

performing student at the Center for Legal Studies at the Open University of Burgas. This was announced by private enforcement agents of Burgas region during the festive cocktails on this occasion. The criteria for receiving the scholarship will be made and announced by the University management. The celebration was attended by District Governor of Burgas Valcho Cholakov, President of the Court of Appeal Denitsa Valkova, director of Territorial Unit of NRA-Burgas Tatiana Kancheva, Ombudsman Tanio Atanasov, and many lawyers, government officials and public names. Guests held greeting addresses for the holiday and recalled the role of private enforcement agents to collect duties of citizens and businesses. PEA Totko Kolev made a record of the industry over 10 years in the region. Total enforcement cases in 2012 were 220,000, and over the next two years they have respectively 18,000 and 178,000 cases. Since the beginning of 2015 a total of 88,500 new cases were initiated.



November 18, 2015, city of Dobritch

Ten talented underprivileged children will receive prizes on the Day of Slavonic Alphabet and Culture - May 24, announced PEAs in the area of Dobritch District Court of honor on the occasion of 10th anniversary of the Chamber of Private Enforcement Agents (CPEA). Children will be selected by

Dobritch Municipality. PEAs also made a donation to conduct swimming tournament "Golden Dobrudzha 2015". The event was attended by the newly elected mayor Yordan Yordanov, chairmen and vice-chairmen of the district and the district court in the city and by the courts in Balchik, General Toshevo and Tervel, representatives of the administrative court, the prosecution, government agencies and professional organizations.

November 19, 2015, city of Plovdiv

The celebration was attended by over 120 representatives of government, public and professional organizations. The mayor of Plovdiv Mr. Ivan Totev greeted PEAs. The gala cocktail attended by the chairmen of courts of Plovdiv region, prosecutors, judges entries representatives of the NRA, lawyers, notaries and many other partners, guests and friends. Food and drinks were donated to the nursing



home by private enforcement agents from the Central South region of the country (Plovdiv, Pazardzhik, Star Zagora, Haskovo, Smolyan, Kardzhali).

December 04, 2015, city of Sofia, Sheraton Balkan Hotel

The balance of the Chamber of Private Enforcement shows that for 10 years PEAs recovered over BGN 6 billion to businesses, citizens, state and municipalities. BGN 560 million is the amount that the PEAs paid directly to the state budget.



"When the reform started in 2005, few enlightened experts and politicians were aware that in fact the state is one that needs PEA. They did not create this profession to give work to "X" number of lawyers. Private enforcement was born in response to the sharp deficit of justice in the country - hundreds of thousands of outstanding judgments on forceful debt collection against huge commission fees

and widespread understanding of citizens and businesses that the rules do not apply to all and can be waived", said in his welcome speech Chairman of the BCPEA Gueorgui Dichev.

In his words, in the beginning more visible was the benefit of PEAs to the business, but role of PEAs became more pronounced in collecting dues for municipalities, government institutions and individuals. For 10 years the amount recovered to citizens is BGN 600 million. Over the past five years even 100% is the growth of cases in favor of the state and municipalities. Today we offer legislative changes to introduce electronic auctions of property of debtors without the participation of the PEAs, under the control of the Justice Ministry. We have submitted to the National Assembly proposals to reduce the cost of implementation as well as for additional socially vulnerable debtors. Ten years ago we showed how one part of the judicial system can be reformed. The introduction of the law enforcement was declared the best reform and that of institutions that still have quite comments to the judiciary as a whole. The fact is that we have become an effective regulator of the business environment, a source of revenue for state and municipal budgets, a tool for solving problems with amounts due to employees, citizens, families.

"Access to justice must be understood as access to the enforcement of judgments. The development of law enforcement in recent years sharply limit the power and illegal enforcement of debts," said Deputy Speaker of the National Assembly Yanaki Stoilov, who participated in the anniversary celebrations.

"The activity of the PEAs is highlighted as an example of solidarity and responsibility. Where the state has refused to fulfill its obligations under the collectability of receivables by courts, PEAs

have shown they live up to their professional and social status and took on this extraordinary difficult mission. Realistically they will do the job of the state," said Krasimir Vlahov, Deputy Chairperson of the Supreme Court of Cassation.

"In the past, PEAs had hundreds of thousands of outstanding court decisions. 10 years have shown that they can perform effectively," said Deputy Justice Minister Petko Petkov.

Bulgarian PEAs were supported by colleagues from all over Europe who arrived in Sofia to participate in the international conference "Country Economy Law enforcement. Common Actions for stability and prosperity ", dedicated to the anniversary. The forum was attended by the governance of the International Union of Judicial Officers (UIHJ) in the face of its president and two vice presidents, private enforcement agents from France, Belgium, Holland, USA, Greece, Lithuania, Latvia and Macedonia.

UIHJ President Ms. Françoise Andrew said that the Bulgarian experience is given as an example in their organization, which unites 87 countries worldwide. "One of the conclusions of the economic crisis is that the most important is to maintain confidence between citizens, the state judiciary. We believe in the quality of Bulgarian private enforcement agents and state hope to continue to help them to apply the law," Ms Andrew said.

The 10th anniversary of the BCPEA was attended by the chairs of the Supreme Judicial Council, Supreme Bar Council, the Notary Chamber, the Union of lawyers, lawmakers, National Revenue Agency, NIJ, IME, representatives of business organizations, academics and many others. Solemn oath and made a part of the new private enforcement agents, won the competition in 2015.

The evening of December 04, was dedicated to the cocktail organized by the Chamber to celebrate this anniversary. The modern and new hall "City Art Center" in the capital hosted a nice event where colleagues, international and Bulgarian guests and friends of the BCPEA rejoiced until late at night in the charming company of Yoana Dragneva and quartet "Intro". There was mirth, treats, music, cheers, memories, smiles and tears ... a little of everything, but from the heart!

3.2. INTERACTION WITH THE INSTITUTIONS

The Chamber Council's work in the past 2015 with the government, media and public organizations was extremely intense. The new governance of the Chamber elected in the Jubilee year of 2015 entered into its mandate with explicit request - for more control and computerization of processes in our work. The activity in this period was primarily determined largely by the development of the Chamber's agenda that the Chairperson and his team stated during their selection by the General Assembly in early 2015.

The Chamber of Private Enforcement Agents (CPEA) again implemented numerous initiatives, meetings and interactions to create opportunities for constructive legislative changes, effective communication and exchange of documents electronically.

On June 27, 2014 the Justice Ministry 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 enforcement. The reasoning was stated that the amendment aims to harmonize the regulation of collection of private and public enforcement fees for enforcement of monetary claims in the case committed by the debtor of voluntarily payment deadline for voluntary enforcement. 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 dated April 19, 2006. In accordance with the addendum: "The amount that the debtor has repaid within the deadline for voluntary enforcement, no fee will be collected." The Chamber issued a strong stance and appealed against the decision before the Supreme Administrative Court (SAC).

By order No. 10279 dated August 29, 2014, the Supreme Administrative Court (SAC) halted the action of changes in the rate of private enforcement agents. In October 2014, 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 dated December 18, 2014, a three-judge panel rejected the appeal of the Chamber of Private Enforcement Agents.

The BCPEA immediately appealed the decision before a five-member panel of the Supreme Administrative Court (SAC). Only at the end of 2015 the composition judgment No. 13014 dated December 02, 2015, under Administrative case No. 4389/2015, whereby the court fully accepts the thesis of the Chamber of Private Enforcement Agents (CPEA) that the change in the Tariff of fees and expenses to the Private Enforcement Agents Act (PEAA) is carried out not only in violation of the procedure of law, and contrary to substantive law. The Court declared null and void for lack of jurisdiction the decision of the Council of Ministers to change the Costs and Expenses Tariff to the Private Enforcement Agents Act made on the last day of the work of the Plamen Oresharski government.

The Chamber has always maintained its position that such changes practically destroyed law enforcement in Bulgaria, but that did not stop the corporate interest, which is not ashamed to offer even obviously unconstitutional provisions in the new Insurance Code. The lawmakers, however, prevented their adoption and on the second reading in plenary the lawmakers rejected the proposed Article 381, which actually introduced a temporary ban on the formation of enforcement cases against insurance companies.

THE NATIONAL ASSEMBLY

The activity of the governance of the Chamber in 2014 was largely related to the legislative initiatives by the Parliament on the Civil Procedure Code, which are in the interest of citizens, government and business, namely:

1. Creating a guarantee for inaccessible receivables on bank accounts:

- children, hospital, social benefits
- pensions and wages for work

2. Extending the scope of contested actions, including:

- refusal of enforcement to stop, suspend and complete enforcement case
- refusal to carry out a new assessment by experts in contesting the fixed price of the property
- costs of implementation, whether private enforcement agent held an explicit act for them
- decrees awarding movable property, when sold under real estate

3. Creating guarantees of objectivity and fairness of the assessment of movable and immovable property:

- obligatory participation of an expert, except in small amounts obligations where appreciation is not economically justified
- in contesting the price, no new assessment to another or more experts is necessary
- the starting price at the first public sale can not be lower than the assessed value of the property

4. Creation of additional safeguards for the rights of defense of debtors:

- initiation of enforcement cases of residence or domicile of the debtor
- aggravated transfer of enforcement cases between private enforcement agents in the same area
- mandatory appointment of a special representative when the debtor can not be found
- stopping the public sale at importation not 30, but 20% of debt

5. Increasing the final prices of the ongoing auctions and eliminating opportunities for manipulation by bidders:

- public sale of groups of objects, not just individual ones
- participation only with one bidding proposal and the irrevocability thereof
- extending the deadline for submitting price opportunity to participate with a bank loan
- Increasing the auction starting price of 75% to 90% of the value of the property at first sale and from 80% to 90% of the initial price of the previous sale on subsequent;

6. Computerization of the enforcement process:

- Introduction of electronic distraints

7. Introduction of electronic auctions, voluntary sales and an option to purchase real property with credit:

- The Justice Ministry establishes and maintains an online platform for electronic public tenders
- movable and immovable property subject to enforcement should be sold without the participation of PEAs at electronic auctions.
- the purchase of property can be financed by a bank or credit institution registered under the Credit Institutions Act

- at the written request of the property owner to enable it to be sold through the platform - a voluntary sale.
- complete reliability and transparency of the procedure

8. Changes that lead to real fulfillment of the obligations of personal relationships and transmission of child:

- If the debtor fails to comply voluntarily, the private enforcement agent can impose a fine pursuant to Article 527, paragraph 3 for each default and with the assistance of police and the mayor of the municipality, region or town hall to take a child and forcefully to submit it to the creditor
- After the entry into force of the decree imposing a fine, the same shall be sent to the National Revenue Agency, which gives the same private enforcement agent its collection under the Civil Procedure Code (CPC).

9. Proposed amendments to the Ordinance on the payment of State awarded maintenance

- - In favor of people who receive alimony awarded by state.

We, at BCPEA, are aware of the shortcomings in law enforcement and therefore insist on legislative changes in the Civil Procedure Code (CPC) to restore the balance between debtors and creditors, without fear about the speed and efficiency of the process. With a lot of work and transparency strive to achieve our goal - institutions, businesses and citizens are convinced that enforcement in our work in public service.

All these proposals were drafted and prepared by the Chamber of Private Enforcement Agents (CPEA) with the active assistance of experts from the Justice Ministry. We hope that the Parliament will support and adopt them as soon as possible in 2016.

THE JUSTICE MINISTRY

Our partnership with the Justice Ministry during the first half of the reporting year 2014 passed under the sign of many formal and informal meetings and joint working groups. Thanks to the new governance of the Justice Ministry, the dialogue was recovered, resulting in intensified work on our proposals for changes in Civil Procedure Code (CPC). The Ministry set up a large working group with the participation of many experts - judges from the Supreme Court of Cassation, private enforcement agents, lawyers. After heavy disputes and discussions managed to convince his colleagues that the offered changes are important and necessary, and they were included in the draft Council of Ministers, which was submitted to the Parliament.

Along with basic tasks, our attention was engaged and held for the first time since the 2006 national competition for PEAs later and assistants. Together with the Ministry did really everything for a fair and objective competition in which profession to enter the most prepared, most worthy candidates. Successful applicants have every right to be proud of their achievements because in tackling a tough

test. Conducting complex competition with such public importance would not be so successful if teams of the Ministry of Justice and BCPEA not worked full understanding, cooperation and mutual assistance. We are grateful for the correctness and efficiency of both the governance of the Ministry of Justice, and in particular the colleagues from Directorate "Interaction of the Judiciary."

Another aspect of good cooperation with the Justice Ministry is drafting and adoption in early 2015 of 8-year delayed Ordinance to perform financial control of the PEAs (promulgated in State Gazette, issue 17 dated March 06, 2015). Under the Ordinance, financial inspectors will have the right to verify all payments in a given case. They will have access to full documentation relating to the financial performance of the case. Inspectors will check the exact determination, levying and collecting taxes on individual enforcement actions, how they have done amounts to the accounts of the PEA, their management, proper movement, disposition and reporting. Obligation of PEAs is to provide access to the office and to original documents. The Chamber itself has its own inspection programme, which also take into account whether they operate on the rules.

In October 2015, a very fruitful meeting was held between the Chamber Council, members of the Disciplinary Committee and examiners by the BCPEA and the financial inspectors and those on the Judiciary Act by the Ministry of Justice. The forum discussed the current problems in the work of the Disciplinary Committee, the control over the activities of PEA, as well as concrete measures to improve the interaction between the BCPEA and inspectors from the Justice Ministry. The Chamber will continue to work closely with the inspectors of the Ministry, because this is the way to achieve full and effective control over the law offices. It is not an end in itself but a means PEAs all strictly comply with the law and rules. There was agreement that in order to be most effective, these joint meetings between the Ministry and the BCPEA will be held twice a year.

In 2016, we face the urgent task to finalize the outcome of the working group at the Justice Ministry on drafting to amend and supplement Ordinance No. 4 for official archives of the PEAs (particularly the section on archiving and destruction of documentation enforcement cases). Unfortunately, this activity has not yet been brought to a successful result, but at the same time is imperative to adopt relevant legislative amendments and the Ordinance as they are essential for the activity of PEAs.

THE NATIONAL OMBUDSMAN

The Chamber of Private Enforcement Agents (CPEA) sees the institution of Ombudsman of the Republic of Bulgaria as an opportunity to discuss legislative and regulatory changes. The governance of our organization considered its work with the Ombudsman in this direction as the realization in practice of leading democratic principle for interaction between professional organizations, NGOs, citizens and the state.

On December 18, 2015 a meeting was held with Mrs. Maya Manolova. At the meeting our stated categorically stated the readiness of BCPEA to begin active work and effective interaction with the institution of the National Ombudsman. The main areas of interaction that the Chamber has proposed are:

➤ **Complaints from citizens**

- Starting a real collaboration between the PEAs and the Ombudsman of the Republic of Bulgaria in terms of guaranteeing the rights of citizens;
- Developing a detailed mechanism for interaction, information and tracking results between the institution of the Ombudsman of the Republic of Bulgaria and the BCPEA upon receipt of complaints and reports of citizens about the activities of individual PEAs.
- Preparing Protocol for cooperation between the two institutions in terms of complaints, warnings and questions of citizens, clearly and specifically enshrine mechanisms steps expertise, interaction, responsibilities and steps for implementation and control. Offering this document, BCPEA in fact demonstrates that supports the objective civilian control over the activities of the profession of PEAs made precisely by the institution - a symbol of protection of citizens' rights.
- Regular public report on the interaction between the BCPEA and the Ombudsman of the Republic of Bulgaria.

➤ **Joint reception hours** - Organization of joint reception rooms in Sofia and regional cities to the purpose of:

- Countering the trend that citizens are not interested and do not know their rights both in general and in particular in the enforcement process;
- Preventing and providing early information that helps citizens to consider and plan well their actions before taking debt guarantee, etc.;
- Supporting for citizens at an early stage, formulating the best of legal and social standpoint resolutions for citizens - debtors who are already part of the enforcement process;
- Receiving complaints, warnings, inquiries about the functioning of the PEAs in a particular region.

➤ **Legislative proposals - improving the enforcement process in the interest of the people** - BCPEA submitted to the 43rd National Assembly proposals for legislative amendments to the Civil Procedure Code.

The proposals of the Chamber of Private Enforcement Agents (CPEA) to the Ombudsman of Bulgaria were presented in writing. During the meeting they were discussed point by point. Ms. Manolova committed to consider and meetings between the two institutions to become regular - in order to achieve better efficiency of interaction.

THE NATIONAL REVENUE AGENCY (NRA)

At our initiative and following sent letters to state institutions over the past 2015, they held two formal and several informal meetings of the governance of the Chamber of Private Enforcement Agents (CPEA) and the National Revenue Agency. Meetings were held respectively on May 12 and November 18, attended by representatives of «Informatsionni Uslugi» AD. The focus of the talks was the signing of a tripartite agreement for the provision of information received, including under Chapter V of the National Revenue Agency Act, stored and maintained by the National Revenue Agency electronically by the NRA by the processor "Informatsionni Uslugi" AD, Chamber of PEAs in the face of its members - acting PEAs and their assistant - private enforcement, including the ability to print a hard copy of the resulting reporting documents. The ultimate goal of the project is to suspend the exchange of paper documents, which in turn will save to offices significant costs for supplies, summons, postal and courier services. The NRA assured the PEAs that it is technically possible to receive electronic reports on debtors' assets in enforcement cases - existing labor contracts and bank accounts of legal entities. Notifications and certificates of Article 191 the Tax and Social Security Procedure Code should also be sent and received electronically. The trend is changing from communication and exchange of information by e-mail between private enforcement agents and the NRA to the web-based portal to work in real time.

The results of the meetings were promising and led to real results - the draft agreement was drawn up by the BCPEA and sent to the parties. At present, coordination procedures in both institutions are under way.

THE SUPREME COURT OF CASSATION

On the grounds of Article 128, Paragraph 1 of the Judiciary Act, by order of the Chairperson of the Supreme Court of Cassation dated January 01, 2013, it has initiated interpretative case No. 2/2013 on the Supreme Court of Cassation inventory, civil and commercial colleges. The occasion had received a proposal from Deputy Chairperson and Head of the Civil and Commercial Division of the Supreme Court of Cassation for a ruling is adopted by the General Assembly of Civil and Commercial Division of the Supreme Court of Cassation on some issues related to problems of enforcement, where there is a controversial practice with courts on the interpretation and application of the law within the meaning of Article 124, paragraph 1 of the Judiciary Act.

Within statutory terms, it was given the opportunity to request opinions from the persons as referred to in Article 129 the Judiciary Act.

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

Over the past two years, eight open meetings of the General Assembly to civil and commercial colleges were scheduled and conducted on interpretative case No. 2/2013 - three meetings in 2013, three meetings in 2014 and two meetings in 2015. As a result, the last meeting of April 27, 2015, the judges reached a consensus on some of the most controversial issues. Interpretative Decision No. 2/2013 was officially published on June 26, 2015.

THE NOTARY CHAMBER AND THE SUPREME JUDICIAL COUNCIL

The Chamber of Private Enforcement Agents (CPEA), 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, on March 20, 2015 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 sectors. We discussed the project of a Cooperation Agreement between the governances of the three institutions. They discussed the draft Amendment of the Bar Act tabled at first reading in the National Assembly. Representatives of notaries and lawyers' industry had fundamental disagreements on the text of the bill, which could not be adjusted during the meeting, regardless of the opinion of the BCPEA governance, which had the role of mediator during the meeting.

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 for traffic police to this information; electronic access to the actions of the PEAs and notaries related to the Real Estate Register; participation in a working group at the Justice Ministry for changes to the Registry Rules; strengthening cooperation with the Agency of Geodesy, Cartography and Cadastre.

AGREEMENTS WITH GOVERNMENT INSTITUTIONS FOR THE COLLECTION OF THEIR PUBLIC CLAIMS

The Financial Supervision Committee, the Supreme Judicial Council and the Council for Electronic Media are institutions that the BCPEA now officially collaborate with to collect their public debts.

COUNCIL FOR ELECTRONIC MEDIA: On June 11, 2015 the first agreement year for CEM was signed to assign collection of receivables for state fees payable under the Tariff of fees for radio and television activity, and issued criminal orders. Most members of the BCPEA have

agreed to initiate enforcement proceedings with creditor CEM. The list of their names shall be deposited with partners of CEM.

SUPREME JUDICIAL COUNCIL: The initiative to sign an agreement with the Supreme Judicial Council (SJC) was the Chamber of Private Enforcement Agents (CPEA). Proposed collection of receivables from courts awarded their expenses amounting to over BGN 35 million, after referral to the problem of media publications and requested a meeting with the governance of the Supreme Judicial Council (SJC), which took place on April 27. The bilateral agreement was signed on July 01, 2015 by the representative of Supreme Judicial Council (SJC) Mrs. Sonya Naydenova and Chairperson of the BCPEA Mr. Gueorgui Dichev. In fact, via this motion the Supreme Judicial Council (SJC) and BCPEA agreed to join forces to implement a joint project to improve the collection of state receivables in favor of the judiciary. The Supreme Judicial Council (SJC) recommendations to the administrative heads of the judicial authorities the possibility to outsource the collection of the PEAs and the order in which to do this. Under the agreement, specific actions by assigning and reporting of recoveries are performed by the administrative heads of every judicial authority and persons authorized by him, depending on the case and the PEA, entrusted with collecting receivables.

FINANCIAL SUPERVISION COMMISSION: The latest agreement was signed on July 10, 2015 with § 82 of the final provisions of the Law on Amending and Supplementing the Public Offering of Securities Act (promulgated in State Gazette, issue 103 of 2012) to make amendments to the FSCA. Pursuant to Article 27, paragraph 7 of the FSCA defined in law fees charged by the FSC that are past due, subject to enforcement by public contractors under the Tax and Social Insurance Procedure Code or by private enforcement agents 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 and Social Security Procedure Code or by private enforcement agents under the Civil Procedure Code. After several more joint meetings in 2014 and a careful analysis of the legal framework, in 2015 the Financial Supervision Committee assigned for collection by PEAs of private and public claims.

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

The Chamber of Private Enforcement Agents (CPEA) has an existing agreement signed by the previous period with the Executive Forestry Agency. On June 13, 2014, after preliminary talks and consultations, the BCPEA governance and representatives of the Executive Forest Agency met and signed an agreement for collection of public obligations of the Agency. Then as indicated by the Ministry of Agriculture and Food, the agreement is expected to increase the collection of fines and pecuniary penalties under effective penal provisions.

Similar informal agreement was reached in 2014 at a meeting with representatives of SAMTS. The agency has a list of all current PEAs on the territory of Bulgaria.

Analysis of the results of our partnership with all the above institutions could be made over a period of time to have the opportunity to gather information from the PEAs on the number of cases with newly creditor country and recoveries in these cases.

THE STATE AGENCY FOR NATIONAL SECURITY (SANS)

The cooperation of the BCPEA with SANS is traditional. At least once a year they hold regular meetings as they occur in an environment of goodwill and aim to eliminate gaps that PEAs admitted to not lead to the drawing up of acts for established violations.

On July 2, 2015 the Chamber of Private Enforcement Agents (CPEA) participated with its representative in the final press conference at the State Agency of Security Agency on the occasion of presenting the results of OPAC project, co-financed by the EU through the European Social Fund (ESF): "Introduction of standard information and communication system with protected web portal for e-services public administration, businesses and citizens in the implementation of measures to prevent money laundering and terrorist financing." The project team reported the project results, namely the establishment of a database and a web-based portal through which 31 categories required by persons under the Measures against Money Laundering Act (including private enforcement) to report suspicious transactions under Article 13, paragraph 2 of the Implementing Rules of the Measures against Money Laundering Act, notices for payments under Article 11 of the Measures against money laundering and amended or newly adopted internal rules for the control and prevention of money laundering under Article 16 of the Measures against Money Laundering Act. The portal can be found at <https://aml.dans.bg/dans>, but at this point it is not ready yet for its actual use by consumers since it is yet to determine the order in which user registration is going on it, for users such as PEAs.

THE CONTROL AND TECHNICAL INSPECTION (CTI)

On September 08, 2015 PEAs participated in a round table organized by the CTI on an OPAC project titled: "*Building of an interoperable information system of the Technical Control Inspectorate and implementation of new e-services.*" BCPEA is a beneficiary of this project since in 2014 the BCPEA signed a letter of partnership with CTI on this project. During the roundtable, the possibilities of presenting information system were presented. That currently contains 15 million records - the whole track record in a CTI database containing entries of the entire agricultural and forestry equipment and machinery earthworks with data for property seizure, claimed by the owner of the art location. Access to the system is implemented with Qualified Electronic Signature (QES), after receiving in advance by the Chamber of Private Enforcement Agents (CPEA) of a list of users and their e-mail addresses to which the PEAs will receive a username and password. So far, the information system has not yet activated the option for PEAs to seize such equipment electronically, but it will be possible to produce as the

project contractor has a web service for compatibility with other systems, in coordination with their developers. The system covers the distrains and their removal. In case of distrain, the CTI does not allow a change in the registration of the agricultural and forestry equipment and machinery earthworks. At this point, the PEAs can make the following statements: 1) Information on the type of equipment via search by make, model and number of frame, result of who is the owner of the piece of equipment and where it is stated in its registration location; 2) Report on registration number of such equipment - result of who is the owner; 3) Report on a person, unique identification code (UIC), BULSTAT, personal ID (EGN) - result of all "agricultural and forestry equipment and machinery earthworks" registered in the name of this person and any seizure, pledges, etc.; 4) Information for a license to an individual to manage and work with "agricultural and forestry equipment and machinery earthworks." According to the assurances of CTI, the system works and can be immediately used. The administration of the Chamber is now ready to present to the CTI upon request a list of PEAs, who have consented to use the information system database.

THE STATE AGENCY FOR CHILD PROTECTION (SACP)

On January 20, 2015 our representatives participated in the conference organized by the Supreme Administrative Court (SAC) in partnership with civil society organizations, Foundation "Fathers for responsible parenthood", Association for Childhood Development "Article 24" Association "Childhood and Dad" on "The right of the child personal contacts with both parents. Parental conflict." The aim of the conference was to discuss measures to synchronize and optimize the synergies between institutions to ensure the child's right to personal contacts with both parents. Invited to the event were lawmakers representative of the administration of the Ombudsman of the Republic of Bulgaria, judges, prosecutors, lawyers, private enforcement agents, representatives of the Interior Ministry, the Ministry of Labour and Social Policy (MLSP), the Justice Ministry, the Social Assistance Agency, researchers, UNICEF, mediators, representatives of NGOs, parents.

The organization of this conference was prompted by the alarming upward trend in the number of cases of children growing up in a process of separation/divorce of parents, where children are involved in the dispute between their parents and are deprived of the opportunity to establish personal contacts with both parents, which is a fundamental right of the child set forth in Article 9, paragraph 3 of the UN Convention on the Rights of the Child. Practice shows that the separation of parents, especially when there is a conflict between them, giving a negative impact on the child's personality and psyche. In these cases various institutions are involved that despite the action taken, according to their competencies, have effective mechanisms to influence parents to make the best decision in the interest of their child and stop opposing relationship with each other. This in turn leads to the conclusion of the need to review existing mechanisms, standards of practice and preparing proposals for improving inter-institutional cooperation,

in order to create safeguards to ensure that the rights of the child are protected.

During the discussions on the conference agenda, the international experience of resolving parental conflicts were presented and discussed the possibilities of its implementation in Bulgaria.

During the meeting, our representative Mr. Aleksander Datchev - Head of "Legal Affairs" at the Council of the BCPEA - reported on the results of the forum. As a result, the Chamber issued an official statement on measures to synchronize and optimize the synergies between institutions to ensure the child's right to personal contacts with both parents, which was deposited at the Supreme Administrative Court (SAC) at the end of January 2015. The BCPEA believes that the Code of Civil Procedure should be changed in the section for transferring children and realization of personal relations with them, because at the moment parents and children are unable to obtain real enforcement. We have prepared the relevant legislative proposals and hope that they will be adopted by the National Assembly.

CENTER FOR LEGAL INITIATIVES

Last year, the Chamber of Private Enforcement Agents has agreed to partner the Association Center for Legal Initiatives under the project "**Initiative for enforcement at the service of society.**" It is implemented under the programme to support NGOs in Bulgaria under the Financial Mechanism of the European Economic Area 2009 - 2014. The project has a term of ten months. The opening conference was held on July 14, 2015 in Grand Hotel "Sofia".

"The desire of the BCPEA in this project is to offer a truly in-depth and independent study of enforcement proceedings here. **The very fact that we enter as a partner is indicative that the BCPEA is open to any form of debate and reasonable future changes in the system of private enforcement.** We will participate actively in the project with information and expertise. One of the highlights of the project is the awareness of citizens about their rights. The BCPEA itself launched last year precisely such an information campaign for the rights of debtors and creditors. Experience has taught us that the lack of information is detrimental to all stakeholders in the process. This is one of the reasons for the negative attitude towards the PEA, which ultimately do not judge, but only implement the court decisions," said Chairperson of the BCPEA Gueorgui Dichev when opening the press conference.

The organizers said that for nearly ten years after the adoption of the Private Enforcement Act, the community is strongly divided in its attitude towards private enforcement. Businesses repeatedly stated their support as citizens express increasingly discontent against the system, reaching final calls in their manifestations to for repeal of the model and returning to the system of state enforcement. Outside sporadic discussions on the occasion of successive legislative amendments to the procedural laws, there lacks a comprehensive and thorough analysis of the model functioning. Those circumstances were the cause that the representatives of the Association Center for Legal Initiatives have

originated the idea of a survey on the topic. The project was presented by its director - lawyer Milena Boycheva. A foreign guest of the event was Christopher Thompson - a participant in the working group drafting the Private Enforcement Agents Act (PEAA) 10 years ago.

"In 2005, the European Commission was entitled to classify the system of enforcement proceedings in Bulgaria as dysfunctional because of large financial losses. Once we learned best practices of the system in Poland and the Netherlands, today - 10 years later - thanks to the work of private enforcement agents in the country, we have collected debts amounting to BGN 5.4 billion", said Mr. Thompson. Private enforcement agents are dealing with more enforcement cases than their state peers and have more success. The fact is that the adoption of the Private Enforcement Agents Act with absolute unanimity of all parties in the parliament, which leads to positive changes - removing barriers to access to justice and enforcement; establishing an effective system of control and supervision. It turns out that compared to neighboring countries - Macedonia, Serbia - reform in the country has begun much earlier and the Albanian legislator draws ideas from the Bulgarian law on private enforcement agents. Christopher Thompson expressed his opinion that at present via their activities PEAs have contributed to the development of the Bulgarian economy, the next step you need to do is to earn the trust of society in ensuring transparency and accountability procedures for enforcement.

The analysis should cover all legislative and regulatory acts relating to enforcement proceedings, case law on unlawful actions of private enforcement agents, review of civil and criminal cases against private enforcement agents. Some of the activities will be related to media coverage of the results of examination of reports and data provided by the Chamber of Private Enforcement Agents (CPEA). Representatives of the Center for Legal Initiatives will conduct interviews with different categories of persons - practicing public and private enforcement agents, attorneys, creditors and debtors in the face of commercial companies, banks. We will set up focus groups to perform the economic analysis through the Institute for Market Economics. The project results will be presented publicly in spring of 2016.

3.3. Public relations and media



In 2015, 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, representatives of the Chamber have appeared in media, including electronic and print.

Serious efforts are being invested in the implementation of our programme of publicity, transparency and a proactive media policy. Populism, demagoguery and sometimes outright lies are stated and disclosed publicly. Regarding the activities of the PEAs during the past year, hundreds of materials were released in the media, making it clear that this policy has a result - publications that are more objective, informative and useful for people than before. Contributing to this have held two workshops with the media during the year (on April 25 and on November 06) that the BCPEA will continue to organize to ensure that objective information reaches citizens.

We have organised an information campaign directed towards citizens. Within its lines, the Chamber organizes free consultations via their website, free explanatory booklets, regional events to raise awareness among citizens and public nature of the work of the PEA. The campaign aims to provide practical information to answer the most common questions, dispel fallacies and speculation about the profession & private enforcement agent. We have updated the section "Questions and Answers" on the web - page bcpea.org and providing an opportunity to ask specific questions via the feedback form provided.



The campaign continued with direct contact with people. PEAs have participated in the initiative of Junior Achievement Bulgaria "Manager for one day".

Ten-graders from Veliko Tarnovo Magdalena Lazarova and Polina Avramova worked as private enforcement agents under the initiative of Junior Achievement Bulgaria "Manager for a Day". On March 25, 2015 they joined the team of private

enforcement agent Victor Georgiev. Both girls are 16 years old and study at school "Vela Blagoeva" in the city of Veliko Tarnovo. They themselves wanted to become a private enforcement agent for a day.

The Chamber of Private Enforcement supports opening the doors of the law offices under the initiative, as the responsibilities of the profession are enormous, and still it is a young and little known occupation.

The two ten-graders who study "Entrepreneurship and Business" learned what powers and services private enforcement agents have, how activities in the law offices are organized and how e-Justice and e-services are implemented in the area of law enforcement. They received a certificate of achievement by Junior Achievement Bulgaria and mentors Victor Georgiev and the special purpose entity "PEAS Glushkova - Georgiev."

"I am delighted that young people were among us as the internship is the best opportunity for career guidance and motivation. I think

that it stimulates interest in the profession. Moreover, every office of the PEAs is both a function of government and business organization - once we execute decisions of the court, but act and under the laws of the market - working in a competitive environment, protecting customers and building trust," PEA Victor Georgiev said.

This is the second initiative to open the doors of the profession for young people, which includes his office after starring in the "Innovation Camp" of Junior Achievement Bulgaria.

The "Manager for a Day" is among the most popular initiatives of Junior Achievement Bulgaria. It is held annually in over 100 countries worldwide. It always includes both senior leaders and established managers from all areas of business and public life. They give start to the career of thousands of students, and in return receive satisfaction from the delivered experience from working with young people. The initiative is designed for students close to graduating at secondary school and university students in their early academic years.

In 2015, the Chamber of Private Enforcement informed the media about important events and their positions relating to the operation of private enforcement. All media were sent the following press releases:

- Gueorgui Dichev: Law rather than interest will be the highlight in private enforcement - January 31, 2015;
- Gueorgui Dichev: More control for ensuring peace of debtors and creditors - February 10, 2015;
- Two ten-graders from Veliko Tarnovo become private enforcement agents for a day - March 25, 2015;
- Lawmakers hit the little guy and boost largest companies and monopolies - BCPEA position regarding the proposals for amendments to the Private Enforcement Agents Act (PEAA) sent to all institutions of Bulgaria, all chairs of the parliamentary groups in the National Assembly and the media - April 02, 2015;
- PEAs and the changing socio - economic reality. The main topics of the BCPEA. Statistics for 2014 - April 25, 2015 Workshop for media;
- Bulgarian PEAs contributing to the writing of the Global Code of Enforcement. The BCPEA was highly appreciated by the international organization of private enforcement agents - June 06, 2015, Madrid, World Congress of Private Enforcement Agents;
- Private enforcement and changes in legislation - Preparation of materials and press release for the second media workshop - November 04, 2015
- BGN 1000 scholarship for best performing student, founded by PEAs in Burgas - 19 November 2015;
- PEAs from Dobritch will give 10 Awards to talented children - November 20, 2015;
- PEAs from Plovdiv make donation to a home for elderly people - November 23, 2015;
- The Chamber of Private Enforcement celebrates 10th anniversary - December 02, 2015

- PEAs recovered BGN 6 billion since its establishment to businesses, citizens and the state - December 04, 2015

The Chamber members receive regularly received Press books produced by BCPEA (3 in total for 2015), containing coverage of all media events and activities of the BCPEA, namely:

- BCPEA annual statistics for 2014 - on April 28, 2015
- Private enforcement and changes in legislation on November 06-08, 2015
- Preparation of a press book - 10 years BCPEA - December 12, 2015.

3.4. Control on the activity of private enforcement agents

The new governance of the BCPEA entered its term with strong demand for tighter control in the industry and legal compliance of all firms. The BCPEA started to implement a new programme of internal control activities of private enforcement agents. Within this programme, in April and May 2015 we performed the first round of inspections in all 164 law enforcement offices. The audit purpose was to determine the current status, possible violations and corrupt practices in the profession. All firms with established violations received recommendations to remedy deficiencies within six months. The second round of checks is coming in early 2016 and it will focus on the removal of any irregularities found.

All disciplinary practice since 2006 of the Disciplinary Committee and the Supreme Court of Cassation has already been summarized in a special report with conclusions and recommendations. Work and criteria for risk assessment, where law firms at risk will be put under constant surveillance, as well as the creation of Disciplinary Code to consider offenses and decide on corresponding sanctions.

We have prepared the terms of reference and signed a contract with a contractor to create an electronic statistics system for monitoring and control as part of a new filing programme of the BCPEA. It will make possible the removal of all information on each private enforcement agent at the moment - cases withdrawn from court actions complaints filed against him/her, disciplinary proceedings, violations, penalties, recommendations, etc. The system will contain disciplinary case law and judicial case law and will be used by control bodies.

Over the past year the Chamber's Council has been and will be uncompromising to colleagues who have intentionally committed offenses. The Disciplinary Committee (DC) also does the best, by adopting multiple resolutions by imposing severe penalties, including several resolutions of "deprivation of legal capacity". For the first time since the law enforcement profession was introduced, at the Council request, the Disciplinary Committee ruled on suspension from office of those PEAs for the duration of the disciplinary proceedings. There is a clear trend in the Supreme Court of Cassation case law not to tolerate behavior of PEAs overstepping the law and rules in these cases.

PEAs exercise one of the most regulated professions. Besides the Chamber, control over it is done by seven other institutions - the Justice Ministry by two kinds of inspectors - Financial and those on the Judiciary Act, the Interior Ministry and Prosecutor's Office, National Security Agency, National Revenue Agency, district courts CPDP.

The Justice Ministry and the Council of the BCPEA conducted independently policy control and supervision over the activities of the PEAs and monitor the implementation of the Law, the Statute and Code of Ethics. Checks are carried out on particular complaints and the overall activity of the law offices of the PEA. Control over the industry is exercised by the Justice Ministry (legal and financial inspectors) and self-control is exerted by inspections at offices and complaint handling done by the Council of the Chamber is strong and strict. We realize that in our industry, and in most professional industries, individual members may not always follow the rules. Since its inception in 2005, the Chamber of Private Enforcement Agents was uncompromising with each PEA that has violated the law and the profession goodwill. Total for the period 2006 - 2015, there were **251** disciplinary proceedings. For this period, the Disciplinary Committee of the BCPEA imposed 13 penalties "reprimand", **100** penalties with fines of up to BGN 10,000, **5** penalties "warning deprivation of legal capacity" and **10** penalties "deprivation of legal capacity".

The Committee on Legal Affairs and Supervision of the Activities of PEAs was created by the new governance at its first meeting in early February 2015 as a subsidiary body to the Council of the Chamber within the meaning of Article 30, section 5 of the Statute of the Chamber for a term of three years. The Committee consists of 20 members. It is headed by a chairman and two deputy chairmen. The Council of the Chamber shall appoint the chairman from among its members and is involved by rule of law at Council meetings. The competence of Committee on Legal Affairs and Supervision of the Activities of PEAs is to perform: Methodological and organizational support of the activities of monitoring and follow up on work in the law offices of PEAs (with regard to the legal framework set rules and regulations for operation of the PEAs); Checks at the law offices of PEAs - on purpose or on complaints and reports against the PEAs to the Council Chamber and implementation of follow-up; Collection, systematization and analysis of information about the work in the PEA law offices; Giving advice to the Council Chamber on general legal issues and those relating to judicial enforcement.

The Committee on Professional Ethics (CPE) is a subsidiary body to the Council of the Chamber within the meaning of Article 30, section 5 of the Statute of the Chamber, involved in the implementation, interpretation and improvement of the Code of Ethics for a term of three years. The Committee on Professional Ethics (CPE) acts within the Committee on Legal Affairs and Supervision of the Activities of PEAs. The Committee on Professional Ethics shall be appointed by the Board of the Chamber and consists of 9 members selected among representatives voted by the District Court in the sense of Article 10, section 11 of the Statute of the Chamber. The competence of the

CPE is: To collect, systematize, analyze and summarize information about the activities and behavior of private enforcement agents to update and improve the implementation of the Code of Ethics; Summarize existing professional practices through interviews; Make suggestions for improvement of the Code of Ethics based on the identified practices of private enforcement and changes in the legal, organizational and socio-economic framework of the profession.

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 87 countries from all over the world.

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 it has regularly paid the annual membership fee.

On May 7-10, 2015 Hotel "Intercontinental Sandanski" hosted an international workshop on enforcement

of Macedonia, Bulgaria and Serbia. The event was held at the initiative of the Macedonian Chamber of private enforcement agents and was dedicated to the exchange of experiences and good practices in the system of enforcement. From the Bulgarian side of the workshop was attended by Mr. Gueorgui Dichev, Chairman of the Chamber Council, and Mr. Petko Iliev - private enforcement agent, with area of competence District Court of Plovdiv. Our colleagues familiarized attendees with the system of law enforcement in Bulgaria, powers, functions and duties of the PEAs and the activities of the Bulgarian Chamber of Private Enforcement Agents. Special focus in the presentation was electronic records that BCPEA establish and maintain, as well as our future projects in information technology development - the introduction of electronic distrains, integration platform of enforcement, file-keeping software in the law offices of the PEAs and the Chamber PEAs and so on.



Other useful and current topics covered in the international workshop were as follows: current issues and dilemmas in implementing related imotnopravnite relations in Bulgarian and Macedonian law; application of enforcement proceedings to recover the worker to work; practical implementation of the Law on free access to

public information in terms of implementation; guidelines for better communication of private enforcement agents with journalists etc. Lecturers on various topics were prominent representatives from Macedonian and Bulgarian universities, and guests of the workshop on the Macedonian side were representatives of the country's Justice Ministry, the Supreme Court and the Court of Appeals.

The Chamber of Private Enforcement Agents participated in the presentation of the Global Code of Enforcement. The document was finalized **during at the 22nd Congress of the International Union of Judicial Officers (UIHJ)**, which took place on June 02-05 in Madrid, Spain. The Global Code of Enforcement is a summary of the 10-year study of the practice and experience of private enforcement agents



worldwide and unprecedented legal event. It will be introduced to leading international organizations and institutions in justice, economy and civil sector.

Bulgaria was represented at the UIHJ forum in Madrid by Deputy Chairperson of the Chamber Council Elitsa Hristova, private enforcement agents Todor Lukov, Stefan Gorchev, Zvezdelina Vasileva, Margarita Dimitrova, Anelia Glavanova - Administrative Secretary of BCPEA.

The UIHJ governance praised the Bulgarian Chamber, which this year marks the 10th

anniversary and the launch of the reform with the introduction of private enforcement. "While populist attitude towards enforcement is typical not only for a country, confidence in the system by businesses, citizens, state and municipalities is evidenced by the numbers of the activity of the BCPEA," said the former chairman of the international organization Mr. Leo Netten during his meeting with Chamber's Deputy Chairperson Ms. Elitsa Hristova and the new Chairman of UIHJ Ms. Francoise Andrew.

Economic processes require changes in the profession of private enforcement. In addition to its main function to enforce the law and court decisions in the future, the PEA will rely on new approaches to the collection of debts, while searching for balance between the interests of creditors and debtors. Such are the conclusions of the 22nd Congress of UIHJ, which convened under the motto: **"The private enforcement agent - relationship between law and economics, and new approaches in implementation"**.

Because of the crisis and increased indebtedness in recent years, the activities of private enforcement agents will include new tools such as postsadebnata mediation, debt rescheduling, new forms of prosrednichestvo. The profession definitely has its future, but will experience changes, said delegates at the forum.

Bulgarian representatives took part in the work of the Congress, by presenting a special report on legal reform and enforcement in the country. Working topics discussed by participants were the changing role of enforcement in society and the social aspect of the profession seeking resolutions for vulnerable debtors. Expedited procedure, e-justice, ethics and disciplinary procedures, training of private enforcement agents are the highlights of which the Congress working panels focused their work.



The 22nd Congress of the International Union of Judicial Officers elected a new governance of the global organization for the next three-year term. To succeed, outgoing President Leo Netten was selected Francoise Andrew - outgoing secretary general of UIHJ.

The football tournament on the occasion of the 10th anniversary of the Chamber brought together teams from Bulgaria and abroad.

On June 11-13, 2015 PEAs organized in the city of Sofia an international football tournament of friendship as part of the



celebrations of the 10th anniversary of the Chamber. The event was held at Academic Stadium in the city of Sofia. The tournament was attended by teams of Romania, Macedonia, Serbia, Ministry of Interior, Justice Ministry, the Notary Chamber. As colleagues from Moldova withdrew at the last moment, BCPEA formed two teams not to break the rules of the tournament by

8 participants, divided into 2 groups.

Both our teams overcame groups and participated in the final battle for the top places. In the end the following results were scored:

1. Winner of the tournament - BCPEA first team
2. Ministry of Interior
3. Ministry of Justice
4. BCPEA team 2
5. Serbia
6. Romania
7. Macedonia
8. Notary Chamber.

The evening after the final matches all teams together closed the celebration in a restaurant with proper mood, singing and dancing. All participants received special plaques bearing the logo of the BCPEA to celebrate our anniversary, as well as photo albums and video games and a festive evening of the event.

Colleagues from all Bulgarian and foreign teams greeted us repeatedly for perfect organization thought to the smallest details. Huge contribution to the realization of this wonderful initiative came from PEA Ivan Cholakov whom the Chamber Council was assigned the difficult task of planning and execute the event. Together with BCPEA Administrative Secretary Glavanova, they prepared and implemented the smooth conduct of the event. We showed all how to to organize such a tournament, how to do celebrations and last but not least - how to have a very good game! Thanks to all the PEAs and helpers who participated not only in games but also in everything



related to the tournament, as well as colleagues and staff in offices that were spectators and supported our teams.

As a balance - good relations between colleagues and institutions in and outside Bulgaria, exchange of information and positive emotions were so much that it is worth to make this tournament an annual and permanent, at least until the 100th anniversary of the BCPEA!

Last year the Chamber Council responded to the invitation of the Moldovan Chamber of private enforcement agents to participate in the celebration of their fifth anniversary and sent Mr Alexander Datchev and Mr. Delyan Nikolov as our representatives. Meetings of this nature are always useful for communicating private enforcement agents from different countries, exchanging ideas and experiences, and creating lasting friendships.

From 8 to 10 September 2015 in the city of Ulan - Ude, the capital of the Republic of Buryatia, Russian Federation, six international scientific - practical conference were held organized by the Federal Office of private enforcement agents of Russia. The conference ran under the topic of "Restrictions on the rights of the debtor, the legislative framework and practical applications." Participating in the conference were representatives from 16 countries from Europe



and Asia, Bulgarian Chamber of Private Enforcement Agents was represented by Stefan Gorchev, a member of the Supervisory Council of the BCPEA and Todor Lukov, Deputy Chairman of the Committee on Legal Affairs and Oversight of the activities of PEA. The conference was chaired by the director of the Russian office, Arthur Parfenchikov, and honorary presidency of Mrs. Françoise Andrew, President of the International Union of

Judicial Officers (UIHJ). Along with the presentations of the home, which revealed interesting aspects of the legislative and law-enforcement process in the implementation in Russia, reports were delivered by representatives of France, Belgium, Germany, Czech Republic, Slovakia, Serbia, Estonia, Finland, Armenia, Moldova, Azerbaijan etc. The conference emerged as traditional, prestigious and authoritative platform for exchange of information, best practices and ideas between professional colleagues from countries with different systems of enforcement. Subject to debate were different mechanisms for restrictions on the property rights of the debtor and the limitation of some state-controlled privileges such as the right of the driving license, the exercise of other activities with authorization. They commented the legislative aspects of balancing mechanisms to protect the rights of the debtor. It turned out that not only in Russia, but in the countries of Central Asia but also in Europe (Czech Republic, Slovakia, Germany, the Baltic states), they are effectively using mechanisms to curb

so-called "Administrative privileges" the most popular of which is the temporary deprivation of driving license to debtors, as well as limiting the right to obtain certain licenses and administrative services by public authorities. As a counterpoint, it emerged that unlike Russia and neighboring countries of the Russian economic space in Europe are considered unacceptable restrictions to the freedom of movement (ban on leaving the country) or the debtor of the - administrative arrest. The last measure is applicable both in Russia and in the United Kingdom (UK) staff performing forensic executive, as their scope is limited to the area to fulfill obligations with increased social function (alimenti, child allowance, etc.) and prevent the enforcement. On behalf of the Bulgarian delegation Mr. Todor Lukov lectured on the topic "Legal regime of rights and obligations of the debtor in Bulgaria, restriction of rights and guarantees for his personal and financial sphere." Given the consistent and active participation in the forum, Russian colleagues Stefan Gorchev and Todor Lukov were respectively awarded the honorary sign of the Federal Office of private enforcement agents and medal "150 years of the founding of the institute of private enforcement agents'.

On November 17 the governance of the PEAs welcomed a delegation from Ukraine. The delegation held a two-day visit to Bulgaria on a project to support judicial reform in Ukraine, funded by the EU and included eight representatives of Parliament, the President and the Justice Ministry of Ukraine. The focus of the visit was the experience of the Bulgarian institutions in reforming and management system of enforcement of judgments in Bulgaria. The meeting with the governance of the Bulgarian Chamber was part of the Ukrainian colleagues.

On November 25-27, 2015 Chairman of the Chamber of Private Enforcement Agents (CPEA) and the Administrative Secretary of the BCPEA took part in the meeting of the Permanent Council of UIHJ and the Council of European presidents that this year took place in the city. The Hague, Netherlands. The place was not chosen at random, and the occasion was more than pleasant - private enforcement agents from around the world celebrated with Dutch counterparts 50th Anniversary of the Hague Convention of November 15, 1965 on the Service Abroad of Judicial and Extrajudicial Documents in Civil and Commercial Matters. Official guest of the event was Mrs. Martha Pertegas - First Secretary of the Permanent Bureau of the Hague Conference on Private International Law.

The agenda of the Permanent Council included the following topics: adoption of the report on the activities of UIHJ for 2014; UIHJ ties with European and international institutions on issues of enforcement; cooperation agreements with universities from different countries; reports of the subsidiary bodies Evronord, Euromed and Evrodunav; the activities of the research institute "Jacques Isnard"; financial report for 2014; statements of delegations; state and development activities ongoing projects of UIHJ - e-Justice STOBRA; communications and publications of UIHJ, etc.

The forum held a meeting of 11 countries - members of the subsidiary organization of the International Union of Judicial Officers EVRODUNAV. Bulgaria, Macedonia, Lithuania, Latvia, Slovakia, Serbia, Poland, Moldova, Hungary, Estonia and the Czech Republic submitted reports on the legal and institutional environment in which private enforcement agents operate in their respective countries.

President of the BCPEA Gueorgui Dichev delivered a speech at the prestigious auditorium of the global forum, the focus of his speech was on the 10th anniversary of the Bulgarian Chamber of Private Enforcement Agents.



„This year we celebrate 10 years since the introduction of private enforcement in Bulgaria. For a short time we've come a long way and today we can say that the reform in Bulgaria proved extremely successful. In our

country we have a mixed system. In competition with each other PEAs work public enforcement agreements too. What are the results? 10 years ago we started with 30,000 cases. Now we have 200,000. All creditors - individuals, companies, banks - our trust, forming their works to us. Dozens of municipalities of the largest, such as Sofia, to the smallest, our Committee to collect their taxes. A number of state authorities - also. While public agents in Bulgaria have almost no load. Bulgaria is a very good example of that liberal model is more successful and effective. 3 months ago we signed an agreement with the governance of the judiciary and now collect all debts of the courts in the country (fees, fines, expertise, etc.) That tens of thousands in number. We will not achieve this success without very strong support of UIHJ. We are happy that we are part of the union. This is the place to express our immense gratitude to our international organization, all of you colleagues. One of the most important lessons we have learned over the years is that we are stronger when we are united", pointed out Dichev using this opportunity to invite colleagues from all European countries to celebrate with us the feast a few days later.

Bulgarian delegation presented to the delegates of the Permanent Council and the specially created for our anniversary film about the work of the Bulgarian PEA, which was met with great interest and approval of those present colleagues from Europe and the world.

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 and other services to its members.

3.6.1. Development of electronic environment and technology

A major priority for the BCPEA since its establishment is the electronic access to information on debtors, as well as carrying out enforcement actions electronically. With its own forces and resources, it has created and continuously develop the Register of Debtors and the Register of Public Sales, which significantly improved transparency, awareness of the business and the final prices of the ongoing auctions. The sales site has millions of visitors not only from the country by the Chamber even asked by the Mayor of him to publish links and to tenders of Commons, as the prices that are achieved by the PEAs are much higher than those in sale by the municipality. This example is indicative of the adequacy of the new proposals of the BCPEA for changes to the Civil Procedure Code to allow electronic auctions and voluntary sale of property of debtors in future electronic platform.

As a confirmation of our will and support of the initiative of the Government of the Republic of Bulgaria for the introduction of e-Justice on June 30, 2015 the Chamber Council responded to the call for participation of our representative of Scientific - practical conference "E-PRAVO.BG." The event was held in Sheraton Hotel under the patronage of Deputy Prime Minister for Coordination of European policies and institutional issues, Ms Meglena Kuneva. The forum was honored by Deputy Justice Minister Petko Petkov, Director of NIJ Dragomir Yordanov, chairmen of many district courts, the executive director of the Registry Agency, NGOs etc. A member of BCPEA Alexander Datchev actively participated in the discussions, highlighting once again the support of the Chamber of Private Enforcement Agents (CPEA) for comprehensive computerization of procedures in the judiciary.

Last year we spent considerable human and financial resources to automate processes and work information in the BCPEA, including in terms of statistics, disciplinary and judicial practice, the activities of both the administration and the authorities but also of each individual member of the Chamber. In mid-year 2015, the Chamber of Private Enforcement Agents (CPEA) commissioned a contractor to develop and put into operation Centralized Information System for integrated processing of statistical information every 6 months and annual reports of the PEA. The project was implemented in its entirety at the end of the year and the electronic system for statistics on the activity of the PEAs is already in place. In 2016 a single electronic filing system of the BCPEA must go operational. A huge volume of documents in our archive was scanned and transferred into it as keywords can be found in electronic form.

3.6.1.1. Register of Public Sales (RPS)

Launch of the website "Register of Public Sales" took place in the summer of 2009. At the end of 2011, a new web-based register was successfully implemented corresponding to the growing demands of consumers PEAs and enjoying it outside clients. After its establishment, the Chamber continued monitoring of its work and by the start of 2014 it has led to several enhancements to improve its functionality. An important success for BCPEA ensures its successful

development was achieved in late 2012 and early 2013. By decision of the Supreme Judicial Council (SJC) regarding the amendment of Article 487, paragraph 2 of the Civil Procedure Code (CPC), the Central Register of Public Sales has become a major and indispensable for keeping electronic database conducted under the Civil Procedure Code (CPC) sales of private enforcement in the country. In 2015 the team of the Chamber continue to monitor his work and correct completion of data by private enforcement agents. Through questionnaires PEAs this year we received some recommendations to improve certain functionalities of the registry, which will ease their daily work as the main users of the website.

For the past twelve months of 2015, the website of the Register of Public Sales is visited was 829,646 unique IP addresses, which means that at least twice as many unique visitors have logged into the site, given that many computers are used by more than one person, and behind some IP - addresses remain many individual users (as a corporate client with multiple computers and users). This is an increase of over 13% of unique visitors to the page compared with in 2014 (when this number was 731,869). That number of visitors have logged onto the website 3,399,648 times and had examined a total of over 44,625,279 pages. The average number of pages reviewed per visitor is 13 pcs per visit, as visitors spent on the site average about 8.5 minutes per visit. Average site was visited by around 2273 visitors (compared to 2014, this number was 2005).

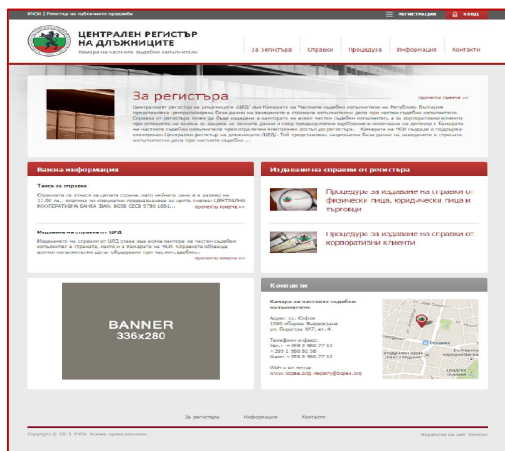
In 2015, in the Register of Public Sales of the Chamber of Private Enforcement Agents were announced 52,949 sales (compared to 52 587 for 2014), including: real estate 47,161/47,140 for comparison for 2014); vehicles - 1959 (compared to 1982 in 2014) and movables - 3829 (compared to 3458 in 2014). Of course, stand sales for 2015 are far less - October 6000 **(data is still being summarized)**.

The announced sale of real estate in district courts are divided as follows:

Sofia City	Sofia District	Blagoevgrad	Burgas	Varna	Veliko Turnovo	Vidin
5874	1576	2199	4844	3347	2285	554
Vratsa	Gabrovo	Dobrich	Kyustendil	Kardzhali	Lovetch	Montana
642	1510	2071	921	315	2050	273
Pazardzhik	Pernik	Pleven	Plovdiv	Razgrad	Ruse	Silistra
1882	670	1467	2864	434	1678	518
Sliven	Smolyan	Stara Zagora	Targovishte	Haskovo	Shumen	Yambol
1107	1031	2299	555	2314	1380	501

3.6.1.2. Central Register Of Debtors (CRD)

The central Register of Debtors was created as a centralized database in 2011. 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 for the elaboration of the existing register and the necessity of creating an entirely new system the central register. Work on it began with the drafting of common technical specification in July 2012 and ended with final testing and commissioning in July 2014 of the overall vitality of this key for the Chamber register, allowing the development of the new system to be fully financed by funds generated from operations.



Permanent daily work with the Registry of Debtors and the significant increase in the number of inquiries carried thereby over the past three years (21,184 pcs. – 2015; 29 126 pcs. – 2014; 19 362 pcs. – 2013; 7812 pcs. – 2012) imposed by the Chamber Council in early 2015 to increase the state's administration BCPEA with one person on permanent employment contract. It has appointed an officer with appropriate education and training, responsible for the direct monitoring and non-technical support of the Central Register of Debtors. 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 and clients of Central Register of Debtors on issues and problems related to the registry. Monitoring the work of the Central Register of Debtors by a designated employee significantly improves and facilitates the overall development work of the system. In 2015, he first decline in revenue growth of Central Register of Debtors was recorded (about 20% below budgeted), respectively 25% less than projected at the beginning of the year in the number of reports issued.

In mid-2015 the Chamber Council has taken an active strategy of action to attract new corporate clients of the Central Register of Debtors. In fact the first banks approved by the Council of the Chamber as users of all web - services to register. However, one of the main objectives assigned to the project can be considered achieved. At the end of July the Chamber sent letters with offers to 56 potential customers for corporate access to the Central Register of Debtors - banks, nonbank financial institutions, leasing companies. A large-scale advertising campaign was under way with promotional terms for all stakeholders. By the end of the year active negotiations were held, but failed to lead to generalized unified responses from all institutions who sent us letters of interest, since each organization had its own requirements and

interests. Yet at the beginning of the year, based on a pooled analysis of the responses received and additional talks held, the Chamber Council took a final decision on reducing the subscription price of the issued reports on corporate clients for the Central Register of Debtors.

3.6.1.3. Electronic distrains

Despite efforts, we finished and we started the year with the hope that finally the electronic distrains will be implemented in practice. In paid to the National Assembly a draft of the Amendment to the Civil Procedure Code with much better spell out and working texts, and together with the Justice Ministry we drafted a bill and a draft ordinance under Article 450a of the Civil Procedure Code (CPC), so this time we have more grounds for optimism. Electronic distrains are exemplary of the "possibilities" of the administration mentioned above. Given that enforcement fees are reduced in some cases 30 times, not to introduce electronic distrains already for 4-5 years is ridiculous.

The importance of "electronic distrain" 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 management of the BCPEA in 2016.

3.6.2. Training

The moderate number of training sessions implemented during the past 2015 can be accepted as optimal results, given that the new governance of the BCPEA has set and performed an annual programme of various priorities. Regarding the topics of training programme, it is worth noting that the topics were more than current given the pronounced interpretative decision No. 2/2013, and in connection with the ongoing dynamics of national competitions for PEAs and assistant PEAs run in parallel.

If you consider the original design of training of university candidate - lawyers, in the area of law enforcement training is quite sparing. Graduates lawyers are not well prepared for work in the enforcement of judgments. In law schools, they seem not paying the required attention to the enforcement of judgments. Attention is drawn to the claim procedure, and when the writ of enforcement is a fact its implementation turns out to be a challenge to the stakeholders in it. Literature on the subject is scanty, but the case law of courts is quite diverse. One significant detail on the process of setting up practice in enforcement proceedings is that according to the Civil Procedure Code, the possibility of practice unification is available on the Supreme Court of Cassation. Delivery of Supreme Court of Cassation in appellate decisions, with controversial practice, is performed via motivated decisions that interpret the law. These decisions are binding for enforcement - Article 291 of the Civil Procedure Code (CPC). Unfortunately for the current PEAs, activities are appealed on one instance - review and reversal at District Court instance, coinciding with the area of

operation of the PEA. An 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 wasted - Article 521 of the Civil Procedure Code (CPC). This limited opportunity for review by a higher court leads to a different practice of the PEA. Decisions in many cases are contradictory in identical cases and create prerequisites for corrupt practices among the PEAs, in account of local opinion on the review and reversal instance.

All of the above requires a consistent BCPEA policy in training that is active and accurate. Even with the creation of our professional organization, the "Training" portfolio is set by the Council of the Chamber 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 PEA, employees in law offices and external legal representatives from other industries. Average per year curriculum includes one workshop a month and a half. Topics are chosen, the programmes are drawn from established Committee on training to the Chamber Council at the beginning of each calendar year. Matters of discussion comply with legislative changes to the PEAs that 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. Of great importance for the Chamber Council are the results of questionnaires to the participants. Questionnaires give a truly realistic assessment of the training organized by the BCPEA by years. They return a quality product offerings for education level of teachers and their skills to adapt a theme for the needs of law enforcement and teaching content. Speakers 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, we strive to compose the team of teachers and trainers to participate from the BCPEA ranks, when the subject permits. On the other hand our lecturers - PEAs - are often invited to teach by other professional organizations at their workshops on "Enforcement Proceedings under the Civil Procedure Code (CPC)."

In the last few years our training programs increasingly include workshops tackling the issue of competition between the universal and the individual enforcement and training of accounting topic concerning the financial aspects of the work of private enforcement agents. Interest in the unification and display practices in accounting arise from the exercise of control over the PEAs by the financial authorities of the state and the Ministry of Justice, respectively of recommendations to refine the activity as a result of the investigations. The training methodology of the BCPEA for is designed in a way to create on the one hand uniformity of training, and on the other hand - a systematic approach.

In 2015 it conducted **5 training courses** on various topics (for comparison: in 2014 the number of workshops was 4) concerning the work of the PEA, assistant PEAs and their employees in the law

offices. The number of trained participants in the workshops organized by the BCPEA during the reporting period was **442** (for comparison: in 2014 this number was 167).

IMPLEMENTATION OF TRAINING PROGRAMME FOR 2015

Month	Date	Training	Number of attending participants
January 2015 Sofia	January 9-10	Enforcement under the Tax and Social Security Procedure Code. Case studies and questions. Competition of universal enforcement to individual enforcement	25
January 2015 Sofia	January 23-24	Enforcement of the PEAs. Rights, duties, powers and responsibilities	131
July 2015 Sofia	July 10-11	Interpretative decision No. 2/2013. General Assembly of the Penal, Civil, Commercial and Civil Societies and Trade Associations of the Supreme Court of Cassation for enforcement. Disciplinary responsibility of the PEA. Analysis of the practice of the Disciplinary Committee of the BCPEA	131
October 2015 Velingrad	October 1-2	Interpretative decision No. 2/2013. General Assembly of the Penal, Civil, Commercial and Civil Societies and Trade Associations of the Supreme Court of Cassation for enforcement. Disciplinary responsibility of the	72

		PEA. Analysis of the practice of the Disciplinary Committee of the BCPEA	
October 2015 Sofia	October 10-11	Interpretative decision No. 2/2013 with the Supreme Court of Cassation for enforcement. Disciplinary responsibility of the PEA. Analysis of the practice of the Disciplinary Committee of the BCPEA	83
			TOTAL: 442 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
2015	4.89	4.89	4.88	4.58	4.75

The Council of PEA shall discuss these results and suggestions of the members of the industry and make a comprehensive analysis of the

results applied under the Chamber training strategy They will form the basis for future management decisions towards improving the quality of services offered to members on improving their professional qualification.

Of course, the main engine of the above is the interest of the PEAs and the ever-increasing interest from outside persons having contacts with the work of the PEA. Therefore sympathy to all members of the Chamber to the efforts of the Chamber Council logically would increase the quality and effectiveness of training offered. Our ideas for topics and forms are important because basically we use them, so we welcome suggestions from our 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 by the Chamber of Private Enforcement Agents. In 2015, representatives of the BCPEA talked and were proactive in meetings with representatives of the NRA for the signing of a new agreement or supplement the current widening the scope of services. Our main purpose in light of electronic services is to move from web-applications and receive information by e-mail to complete the exchange of data with the NRA information system integration in a wide electronic platform. In this sense, our goal is to sign in early 2016 a tripartite agreement between the BCPEA, NRA and «Informatsionni Uslugi» AD and begin the real work on the realization of this project, which is paramount for the daily work of the PEAs.

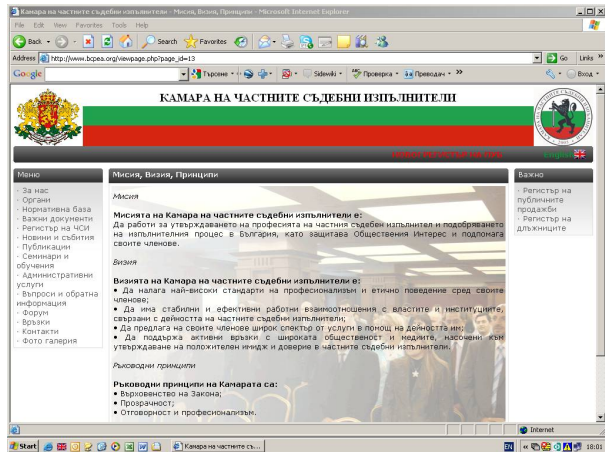
3.6.4. Additional agreements with OCSP on extending the electronic records

By signing individual agreements between PEAs and Directorate-General «OCSP» with the Ministry of Regional Development and Public Works, electronic access to the register of the National Database «Population» has become a major tool for the job of private enforcement agents and a main competitive advantage over public enforcement agents. The practice of using the register showed that the scope of permissible under it references does not meet the needs of the enforcement proceedings. In 2013, on the grounds of our letter asking to extend the scope of agreements concluded between the Ministry of Regional Development and Public Works and PEAs, the DG «OCSP» responded to our request and granted at BCPEA request additions to the text of the individual agreements which finally cover all necessary enforcement records. In late 2014, however, an additional and serious problem was found regarding access to information by the PEAs, which proved that there was no evidence of restricting the rights of person (type of restriction) and died debtors. This necessitated the drafting of a new request to the Ministry of Regional Development and Public Works and it was sent in early 2015. Following this joint our cooperation with DG OCSP,

pending is the signing of a tripartite agreement for the project on integration platform of "Informatsionni Uslugis" AD - a complex and completely consistent service to the current realities.

3.6.5. Information and administrative services

Analysis of the results from the past 2015 shows that members of the Chamber are relatively satisfied with the way the communication tools. On the one hand, they are satisfied with the information



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

An important role in this process to build mutual trust are the national meetings and daily contact with the administration of the BCPEA throughout the 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. A PEA 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 PEAs who participated in the annual poll: **5.29** for the BCPEA website; **5.45** for the Register of Debtors and **5.37** for the Register of Sales (for comparison with 2014 - 5.02 for the BCPEA website; 5.14 for the Register of Debtors and 5.22 for the Register of Sales).

In the section «Jurisprudence» we publish judgments of the courts of the Republic of Bulgaria in connection with law enforcement. After ten years of effective operation of private law enforcement, we have already accumulated some case law in the form of important court decisions in the field of enforcement. We publish these decisions to benefit the parties in the enforcement process, and try to unify the practice of courts throughout the country. In addition, 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 BCPEA website. We hope to have the opportunity in 2016 to provide this new service to the PEAs.

The section "Important documents", in the sub-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 2015,

we have updated the section "Questions and Answers" on the website to provide additional information to citizens and the opportunity to ask specific questions via the feedback form.

The section «Training» contains constantly updated information about upcoming workshops organized by the Chamber of Private Enforcement Agents (CPEA). The section «Register of PEAs» supports one hundred percent the updated details of private enforcement agents (PEAs) assistant private enforcement agents and related circumstances.

In 2015, we continued 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 bulletin for the first half of the fiscal year was sent to all the PEAs at the end of July.

The Newsletter is distributed in electronic format. It is sent via e-mail to PEAs, to their offices and associates. The newsletter is addressed to traditional partners of the Chamber, such as business organizations, banks, Ombudsman, etc. The newsletters presented key findings from the annual statistical reports for 2014 and 2015. The PEA, PEAs information campaigns, news from the world of law enforcement, partnership initiatives, pronouncements of the Chamber, legislative changes, etc.

In order to maximize the awareness of their members for all media publications reflecting the activities of private enforcement agents (PEAs), this year the Chamber renewed the contract with Bulgarian News Agency (BTA) for the service «Electronic Press Clipping» - tracking a given topic in emissions BTA, online and print publications in national and regional media. Through the subscription of the Chamber for this service, members of the BCPEA receive the fullest possible information from national and regional media on the subject "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 render 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 the Disciplinary Committee 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

In early 201, the BCPEA management launched an extremely important project in which the ultimate goal is that all the information in enforcement cases be received electronically. These are gathered in one place information about debtors from OCSP, AGKK, Property Register, Commercial Register, NSSI, NRA, traffic police, customs etc. Furthermore, the electronic platform will release claimants, respectively PEAs, from the heavy and slow process of administering each individual state tax, which in many cases leads to defrauding creditors because, while collecting information on debtors' assets, some of them are able to transfer their assets. The platform will allow the electronic exchange of mandatory, according to the procedural laws, messages on enforcement cases, such as those to the NRA for public obligations of debtors. For the project implementation, a number of meetings were held between the BCPEA, our partner "Informatsionni Uslugis" AD and all institutions that collect information on the cases. Once again we get convinced how in a project that is of interest to people, businesses and the state, respectively the institutions, and that will reduce costs, is in fact hindered, delayed and neglected. At the level of guides, we receive understanding and agreement, but then "experts" intervene and the problems begin. No matter how difficult and hindering it is, we will not give up until we achieve the ultimate goal, which is in line with the best European practices and recommendations of the Council of Europe on law enforcement.

Another brand new and under development project is creating a complete 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 it has not yet been realised. The results of this year's survey conducted among the PEA, however, gave us confidence this is a project that should be implemented as soon as possible. Colleagues themselves indicate that the introduction of the BCPEA single filing system will significantly ease their work, and apart from it it will create systematization, traceability and verification of the administrative processes at the headquarters of our organization. Currently BCPEA has already secured the hardware and software system and we are at the stage of digitization of all official records of the BCPEA for the past 10 years. The next stage will be to integrate these arrays with information in the final software developed specifically for the Chamber by the selected contractor "Nemetschek" LTD.

Hopefully in 2016 the system for the electronic distraints would be completed. The initiative is in the hands of the Justice Ministry. Bringing the project to fruition will prove the will 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 goals that the BCPEA management has set for the coming 2016 is the real start of the project «Rules of good practice of PEAs in connection with their disciplinary responsibility." The idea of this project is still underdeveloped, but waited to gather enough practice Disciplinary Committee and the Chamber Council on complaints against actions of the PEAs and the resulting decisions to initiate disciplinary proceedings. At this stage, we suggest that there is already a database of sufficient volume for the past 10 years, including: number of complaints against the actions of PEAs; type of infringements committed; number of initiated disciplinary proceedings; number of final decisions of the Disciplinary Committee of the BCPEA; penalties imposed, etc.

We expect the development of the project «Webinari», through the system of training to enhance the professional skills of the PEAs and staff will move to a brand new stage - a modern, contemporary and European approach. The proposal again came from members of our industry and to be thoroughly discussed by the Council of the Chamber.

We continue with market studies in accordance with the needs of the Chamber of renting/buying a new office. Let's hope that in 2016, this initiative will be completed successfully and the Chamber will have new and modern headquarters - the seat of our organization in the city of Sofia.

REPORT

**On the activities of the Disciplinary Committee
with the Chamber of Private Enforcement Agents for 2015**

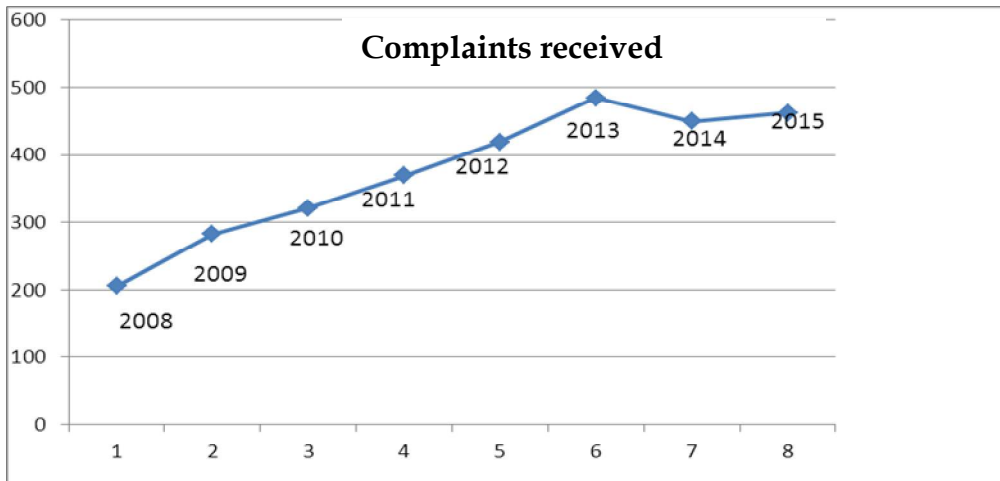


Dear Colleagues,

We present to you the report of the Disciplinary Committee of the Chamber of Private Enforcement Agents for the past 2015. And a summary report for the past ten years.

I. Statistics on "Complaints"

In 2015, the Chamber of PEAs received 462 complaints and this year we have seen a longer lasting trend for their high number. In the previous 2014, the figure was 449, in 2013 - 484 and in 2012 - 419. For greater contrast in comparison with previous years, complaints in 2011 were 369; in 2010 - 321, in 2009 - 282, in 2008 - 205. For the first two years, the Chamber did not keep statistics on complaints and we could not compare to those two years - 2006 and 2007. Introducing and quantitative distribution of complaints by years.



Compared with previous years, the complaints filed in 2015 were as follows in percentage increase:

- versus 2008 - over 125% increase;
- versus 2009 - nearly 64% increase;
- versus 2010 - nearly 44% increase;

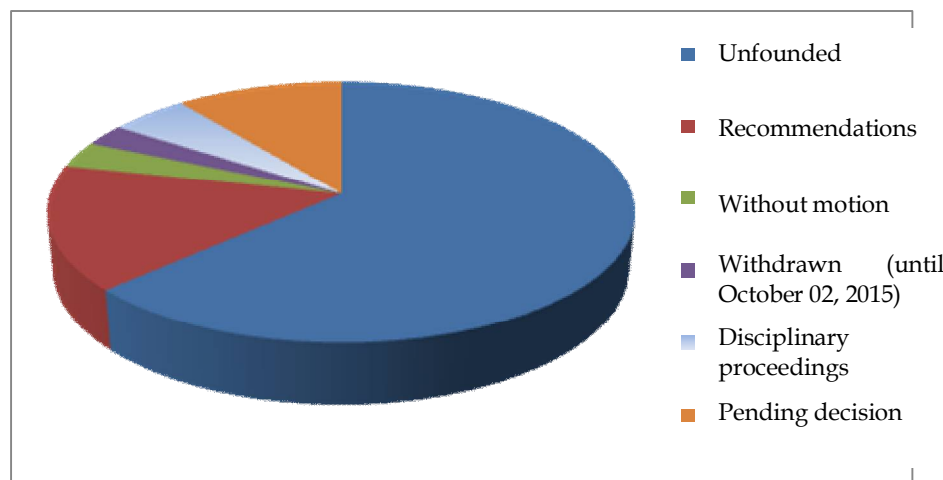
- versus 2011 - slightly over 25% increase;
- versus 2012 - slightly over 10% increase;
- versus 2013 - the only year in which complaints have been filed more than in the reporting year of 2015 (complaints in 2015 were almost 5% less than the number of complaints in 2013.)
- And compared to the previous 2014 - almost 3%.

In 2015, under the Procedure for handling complaints, the Council of the Chamber of Private Enforcement Agents (CPEA) examined the signals received, inquiries or complaints forwarded in the Chamber of Private Enforcement Agents (CPEA) under the competence of other institutions, another 60 in number. Of these, the verification is: unfounded - 43 (approximately 72%), recommendations were made in 5 of them (just over 8%), one report was left without consideration, one was withdrawn, on 3 cases he Council of the Chamber of Private Enforcement Agents (CPEA) decided to initiate disciplinary proceedings and 7 are pending review in 2016.

It is worth noting that the trend of a large number of complaints does not mean a large number of legitimate ones. From 462 complaints received in 2015, 286 were unfounded, on 76 of them recommendations were made and 16 were left without motion and without consideration, on 23 of them it was decided to institute disciplinary proceedings, 48 complaints are pending consideration in 2016. By regular meeting of the Board of the Chamber of Private Enforcement Agents (CPEA) (October 02, 2015), it was decided that "all incoming reports / complaints about illegal actions of the PEAs be considered under the Chamber's rocedure for administration of complaints, whether withdrawn" and 13 complaints have been withdrawn.

Together with complaints and reports, a total of 522 complaints received were considered as complaints, of which 329 are unfounded, recommendations were made on 81, without moving and without consideration were 17, and 14 were withdrawn (before October 02, 2015), on 26 it was decided to initiate disciplinary proceedings and 55 are pending consideration in 2016. In absolute terms, the figures are: 63% of all complaints (and signals similar to complaints) are unfounded; on more than 15% recommendations were made; without consideration and without motion are less than 3%; withdrawn (before October 02, 2015) were approximately 3% and on almost 5% the Chamber Council of PEAs has decided to initiate disciplinary proceedings.

Introducing and distribution of complaints and signals similar to complaints by final result.



In comparison with 2014 the analysis shows that the percentage of unfounded complaints decreased (in 2014, unfounded complaints were about 70% of the total received in 2014), the percentage of complaints in which recommendations were made has increased (during 2014, recommendations were made on less than 10% of the total received), but the percentage of complaints in which it was decided to institute disciplinary proceedings has been preserved - for both years it was 5%.

The analysis shows a trend of relatively high number of complaints and in 2015. On average it is over 40 complaints per month, an average of two every day!

The analysis shows that this is mainly due to the growing number of enforcement cases - pending and new. The information indicates on the one hand to increase public confidence in the Chamber of Private Enforcement Agents (CPEA), as accurate and fair allowance for the work of private enforcement agents, as an effective institution acting democratically, transparently and fairly. On the other hand, unfortunately the trend of the large number of poor practices in enforcement cases by some private enforcement agents. It shows a relatively high number of complaints in which recommendations were made and decisions were made to initiate disciplinary proceedings.

An interesting fact is that against 18% of the current PEAs no complaints were received at the Chamber for 2015 against their actions!

II. Statistics on "Disciplinary Proceedings"

The analysis of the Disciplinary Committee regarding disciplinary proceedings this year will be presented for the past 2015. It summarized the case for the entire period from 2006 to 2015. - 10th anniversary of the Chamber of Private Enforcement Agents (CPEA).

Since 2006 the Disciplinary Committee of the Chamber of Private Enforcement Agents (CPEA) opened a total of **251** disciplinary proceedings against PEAs. The Disciplinary Committee has pronounced decisions on **220** of them. Pursuant to Article 70, paragraph 1 the Private Enforcement Agents Act (PEAA) proceedings must be instituted at the request of the Minister of Justice or by a decision of the Chamber Council. According to this criterion, the figures are as follows:

2006 - 5 disciplinary cases - three disciplinary proceedings by decision of the Council of the Chamber and **two** at the request of the Minister of Justice;

2007 - 4 disciplinary cases - three by the Council of the Chamber, **one** by the Minister of Justice;

2008 - 15 disciplinary cases - five by the Council of the Chamber, **nine** of the Minister of Justice and **one** at the request of both authorities;

2009 - 21 disciplinary cases - fifteen by the Council of the Chamber, six by the Minister of Justice;

2010 - 21 disciplinary cases - nine by the Council of the Chamber twelve by the Minister of Justice;

2011 - 17 disciplinary cases - eight by the Council of the Chamber, nine by the Minister of Justice;

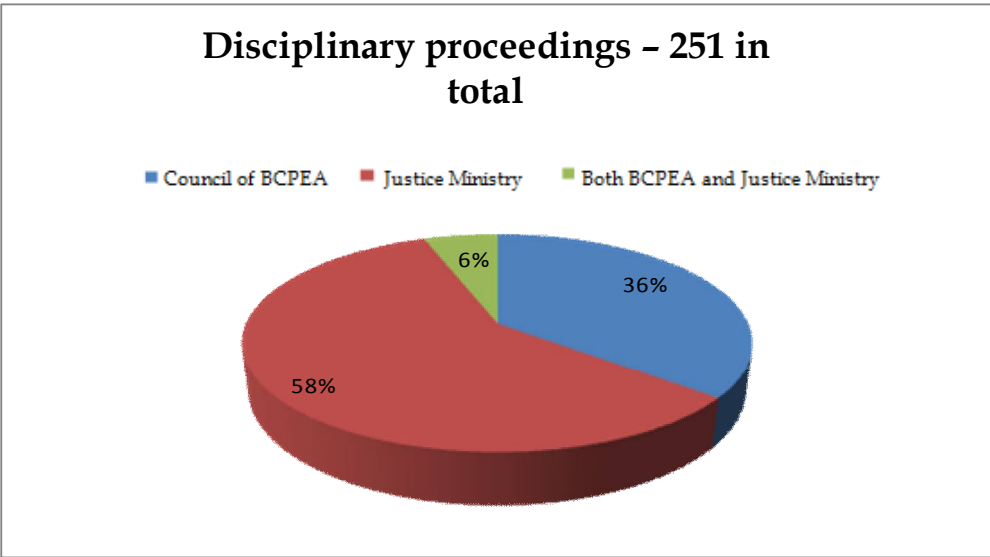
2012 - 16 disciplinary cases - eleven by the Council of the Chamber, five by the Minister of Justice;

2013 - 30 disciplinary cases - ten by the Council of the Chamber of eighteen Minister of Justice and two at the request of both authorities;

2014 - 75 disciplinary cases - twelve of the Council of the Chamber fifty-seven of the Minister of Justice (four of them formed parallel judicial and financial review), and six at the request of both authorities;

2015 - 47 disciplinary cases - fourteen of the Council of the Chamber twenty-six only at the request of the Minister of Justice at five at the request of the two bodies and two were returned by the Supreme Court of Cassation for further consideration.

Statistics show that from a total of 251 disciplinary proceedings, 90 proceedings were instituted by a decision of the Council of the Chamber (approximately 36%), at the request of the Minister of Justice - 147 (over 58%) and 14 were initiated at the request of both body (approximately 6%).



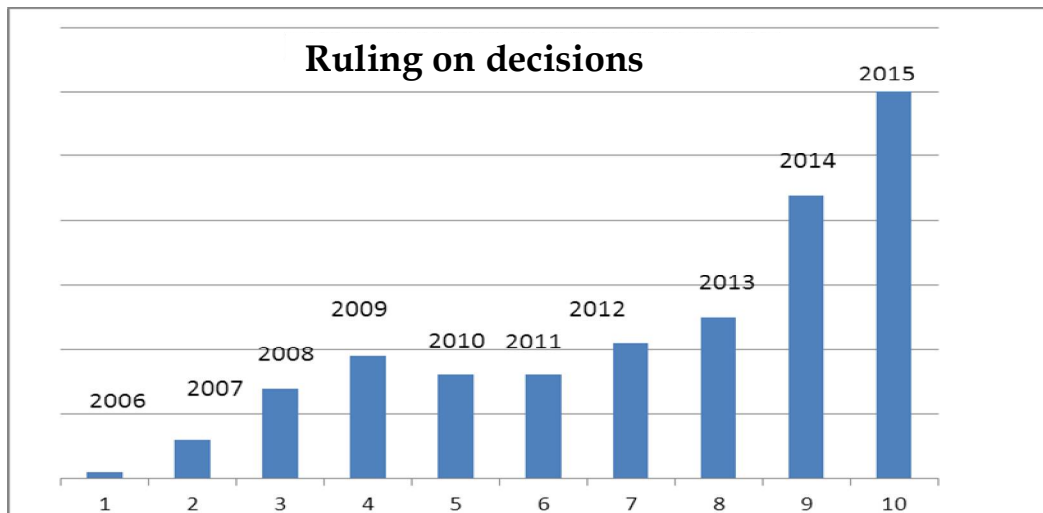
From the establishment of the Chamber of Private Enforcement Agents (CPEA) by the end of 2015, the Council of the Chamber of Private Enforcement Agents (CPEA) has proposed the following penalties: "fine" - 75 times; five demands "warning for temporary deprivation of legal capacity". "Deprivation of legal capacity" was asked 21 times by the Council of the Chamber of Private Enforcement Agents (CPEA); and on three of them it has not made any specific request for the type and amount of sanction. Yearly data are as follows:

- **2006** - All **three** disciplinary proceedings instituted by decision of the Council has proposed a penalty "fine".
- **2007** - on two disciplinary proceedings, the Council proposed penalty "fine" and on one "warning deprivation of legal capacity".
- **2008** - on one the Council offered "fine", on four disciplinary proceedings they proposed penalty "deprivation of legal capacity" and on one it has not proposed any type and amount of sanction.
- **2009** - on nine it offered "fine" and on six proposed penalty "deprivation of legal capacity".
- **2010** - on seven it offered "fine" and on two suggested sanction "deprivation of legal capacity".
- **2011** - on seven offered "fine" and the proposed penalty "deprivation of legal capacity".
- **2012** - on seven offered "fine"; on two proposed "warning for temporary deprivation of legal capacity" and on two the suggested sanction is "deprivation of legal capacity".
- **2013** - on ten the Council has offered "fine" and on two it did not propose any type and amount of sanction.
- **2014** - on fifteen it offered "fine"; on two proposed "warning for temporary deprivation of legal capacity" and on one proposed penalty "deprivation of legal capacity".
- **2015** - on fourteen offered "fine" and on five proposed penalty "deprivation of legal capacity".

For the past decade, as evidenced by the judgments of the Disciplinary Committee, it can conclude that 16% of all requests (for type and amount of sanction) made by the Council Disciplinary Body upheld the request entirely.

As stated above, the Disciplinary Committee has ruled for the past 10 years with a total of **225 decisions**. Yearly statistics are as follows:

- **2006** - ruling on **one** decision.
- **2007** - ruling on **six** decisions.
- **2008** - ruling on **fourteen** decisions.
- **2009** - ruling on **nineteen** decisions.
- **2010** - ruling on **sixteen** decisions.
- **2011** - ruling on **sixteen** decisions.
- **2012** - ruling on **twenty-one** decisions.
- **2013** - ruling on **twenty-five** decisions.
- **2014** - ruling on **forty-four** decisions.
- **2015** - ruling on **sixty-three** decisions.



From the data it concluded that reserves this year (such as 2014 and previous) there is a trend for extreme workload and efficiency of the members of the Disciplinary Committee.

By rulings of the Disciplinary Committee, the latter has imposed the following penalties:

- **2006** - total **1**, the penalty imposed is "reprimand".
- **2007** - total **6**: on five the penalty imposed is "fine" and on one no penalty was imposed.
- **2008** - total **14**: on two the penalty imposed is "reprimand"; on seven penalty imposed is "fine"; on one penalty imposed is "deprivation of legal capacity"; on three no penalty was imposed and one disciplinary proceedings were terminated.
- **2009** - total **19**: on two the penalty imposed is "reprimand"; on nine the penalty imposed is "fine"; on two the penalty imposed is "deprivation of legal capacity"; on four no penalty was imposed; two disciplinary proceedings were discontinued.
- **2010** - total **16**: on one the penalty imposed is "reprimand"; on twelve the penalty imposed is "fine"; on one the penalty imposed is "warning for temporary deprivation of legal capacity"; two disciplinary proceedings were dismissed.
- **2011** - total **16**: on two the penalty imposed is "reprimand"; on nine the penalty imposed is "fine"; on two no penalty was imposed; two disciplinary proceedings were dismissed and one was left without consideration.
- **2012** - total **21**: on one the penalty imposed is "reprimand"; on five the penalty imposed is "fine"; on one the penalty imposed is "warning for temporary deprivation of legal capacity"; on three the penalty imposed is "deprivation of legal capacity"; on four no penalty was imposed; three disciplinary proceedings were dismissed; three disciplinary proceedings were discontinued and on one disciplinary proceedings Disciplinary Committee refused to issue judgment.
- **2013** - total **25**: on one the penalty imposed is "reprimand"; on eleven the penalty imposed is "fine"; on one the penalty imposed is "warning for temporary deprivation of legal capacity"; on four no

penalty was imposed; four disciplinary proceedings were dismissed and four disciplinary proceedings were discontinued.

- **2014** - total **44**: on one the penalty imposed is "reprimand"; on fifteen the penalty imposed is "fine"; on one the penalty imposed is "warning for temporary deprivation of legal capacity"; on one the penalty imposed is "deprivation of legal capacity"; on twenty-three no sanction was imposed; three disciplinary proceedings were dismissed.

- **2015** - total **63**: on two the penalty imposed is "reprimand"; on twenty-eight the penalty imposed is "fine"; on one the penalty imposed is "warning for temporary deprivation of legal capacity"; on four the penalty imposed is "deprivation of legal capacity"; on seven no penalty was imposed; thirteen requests for disciplinary proceedings were dismissed; four disciplinary proceedings were discontinued; two were left without consideration/rejected; returned by the Supreme Court of Cassation - two.

The following data can be seen in years by final decisions, which total **173**:

- **2006** - **No** final decisions;
- **2007** - **Two** effective decisions;
- **2008** - **Five** effective decisions;
- **2009** - **Seventeen** effective decisions;
- **2010** - **Twenty-one** effective decisions;
- **2011** - **Twenty-two** effective decisions;
- **2012** - **Twelve** effective decisions;
- **2013** - **Twenty** effective decisions;
- **2014** - **Twenty-two** effective decisions;
- **2015** - **Fifty-two** effective decisions.

Data for a total of 107 decisions decreed by the Supreme Court of Cassation in years are as follows:

- **2006** - **no** decisions decreed;
- **2007** - **no** decisions decreed;
- **2008** - **Two** decisions decreed;
- **2009** - **Eleven** decisions decreed;
- **2010** - **Fourteen** decisions decreed;
- **2011** - **Sixteen** decisions decreed;
- **2012** - **Eight** decisions decreed;
- **2013** - **Nine** decisions decreed;
- **2014** - **Six** decisions decreed;
- **2015** - **Forty-one** decisions decreed.

In the past 2015, the Supreme Court of Cassation ruled 41 decisions. This large number is due to the judgment in interpretative case No. 2/2013 of the General Assembly of the Penal, Civil, Commercial and Civil Societies and Trade Associations, which is why most of the contested decisions of the Disciplinary Committee are pending that judgment.

The following details the results of cassation instance in quantitative and qualitative terms in years:

- of cases brought in 2006, four decisions of the Disciplinary Committee are appealed, Supreme Administrative Court **upheld three** of them and **one** has changed;

- of cases brought in 2007. **3** decisions of the Disciplinary Committee were challenged, Supreme Administrative Court upheld **one** of them, **one** is changed and **one** is revoked;

- of cases brought in 2008, **10** decisions of the Disciplinary Committee were challenged, Supreme Administrative Court upheld **four** of them; canceled **five** and **one** cancellation;

- of cases brought in 2009, **11** decisions of the Disciplinary Committee were challenged, Supreme Court of Cassation has confirmed **five** of them; it has canceled **two**; Invalidation of **one**; considered **one** and **two** are filed;

- of cases brought in 2010, **15** decisions of the Disciplinary Committee were challenged, Supreme Court of Cassation has confirmed **five** of them; canceled **four**; withdrawal of **three**; changed **one**; **two** proceedings were returned with complaints and **one** has ceased;

- of cases brought in 2011, **11** decisions of the Disciplinary Committee were challenged, Supreme Court of Cassation has confirmed eight of them and has canceled three;

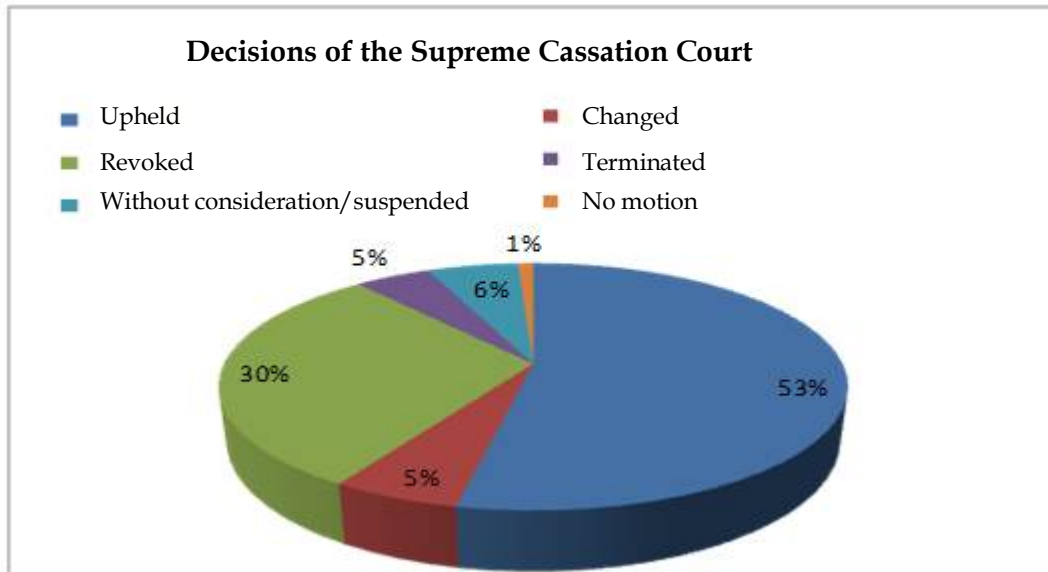
- of cases brought in 2012, **7** decisions of the Disciplinary Committee were challenged, Supreme Administrative Court upheld **four** of them; canceled is **one**; **one** was considered and **one** was scheduled for judgment;

- of cases brought in 2013, **20** decisions of the Disciplinary Committee were challenged, Supreme Court of Cassation has confirmed **five** of them; canceled **nine**; one is left without consideration and **five** were declared pending resolution;

- of cases brought in 2014, **49** decisions of the Disciplinary Committee were challenged, Supreme Court of Cassation has confirmed **twenty-two** of them; canceled **seven**; changed is **one**; without respect /stopped/ discontinued **one**; **Thirteen** have been declared resolved and **three** are scheduled for review in 2016. The large number is verified and canceled resolutions from Supreme Court of Cassation due to unreasonable requests received by the Minister of Justice in 2014;

- of cases brought in 2015, **9** decision of the Disciplinary Committee (of the set at the time) were challenged, the Supreme Court of Cassation has canceled and returned **one**; **one** was scheduled for judgment; **six** were given for administration and **one** is scheduled for review in 2016.

In summary, it can be concluded that less than 53% of the rulings of the Supreme Court of Cassation are upheld (57 of total 107); more than 5% are unchanged (6 of rulings Supreme Court of Cassation); nearly 30% are canceled (32 decisions); canceled approximately five percent (5 decisions); without consideration/canceled over 5%; without action is one decision.



Other contested decisions to the Supreme Court of Cassation in scheduling procedures, consideration in 2016, the administration before the cassation instance and declared resolves.

III. Report of the Disciplinary Committee for 2015

The Council of the Chamber of Private Enforcement Agents (CPEA) in its meetings held in 2015. It has taken 18 decisions to initiate disciplinary proceedings. These 18 resolutions are total 25 complaints and (3 complaints/signals in 2014, and 22 complaints/signals in 2015). The discrepancy comes from the fact that disciplinary proceedings was initiated by decision of the Council of the Chamber of Private Enforcement Agents (CPEA) seven complaints/signals but united in one proceedings due to identity infringements of one private enforcement agent and one disciplinary proceedings have been instituted by two signals.

In 2015, the Minister of Justice received **33** requests for initiation of disciplinary proceedings, in **26** of them disciplinary proceedings were initiated only at the request of the Minister, **5** jointly with the Council decisions and merged into one proceedings and **one** of these 26 proceedings and **three** at requests by the Minister of Justice.

In **47** disciplinary proceedings initiated during the reporting year 2015, the Disciplinary Committee rendered **22** decisions. The remaining **25**, they announced to solve **15** and 10 are scheduled for consideration. From enacted **19** decisions: **three** are effective, **9** were appealed to the Supreme Court of Cassation and **7** runs deadline for appeal.

Throughout 2015, the Disciplinary Committee has adopted a total of **63** decisions, **38** of them were delivered by newly elected Disciplinary Committee at the end of January 2015.

There is continuous trend for the Disciplinary Committee to impose a penalty "fine" and **28** of those **63** decisions are pronounced with such sanction; it has imposed **two** penalties "reprimand", on **thirteen** it has rejected requests for initiation of disciplinary proceedings; imposed **four** disciplinary penalties "deprivation of legal capacity", **one** "warning deprivation of legal capacity"; **four** suspended; **two** left without consideration and without respect and with **7** resolutions it ruled that it does not impose a disciplinary sanction. **Two** rulings in 2015 were returned for reconsideration.

Final decisions in 2015 are **53**.

The tendency for large workload of the disciplinary panel. For the first year of the term of newly elected at the beginning of 2015, the Disciplinary Committee held 64 meetings. Of their choice in 2015, the Disciplinary Committee ruled 38 decisions.

Again, the trend of declaring the decisions of the Disciplinary Committee as follows:

In 2015 - **63** decisions were given as follows:

- **1 month** - 32 decisions or nearly 51% of rulings in 2015;
- from **1 to 3 months** - 23 decisions, which is nearly 37% of rulings in 2015;
- from **3 to 6 months** - 4 decisions or over 6% of rulings in 2015;
- from **6 months to 1 year** - 2 resolutions, making just over 3% of all decisions handed down in 2015;
- **Over one year** - two decisions, making just over 3% of all decisions handed down in 2015.

It is appropriate to note at what time the newly Disciplinary Committee has established its 38 resolutions:

- **1 month** - 28 resolutions or near 74%;
- From **1 to 3 months** - 8 decisions, which is more than 21%;
- From **3 to 6 months** - 2 resolutions or above 5%.

The result of the enforced 173 decisions over the past 10 years is as follows:

Under sanction under Article 68 of the Private Enforcement Agents Act (PEAA) are **112** of them, respectively:

- Reprimand - 18 (eighteen);
- Fine - 81 (eighty-one), including:
 - 37 size of the fine of BGN 100.00 to BGN 1,000.00;
 - 30 are in excess of BGN 1,000.001 to BGN 5,000.00;
 - 12 are in excess of BGN 5,000.001 to BGN 10,000.00 including and
- 2 are in excess of BGN 10,000.00 (Two disciplinary proceedings of BGN 20 000.00);
- Warning temporary deprivation of legal capacity - six (6);
- Deprivation of legal capacity - **7** (seven) as follows: one for eight months, three to one year and three disciplinary sanctions for three years.

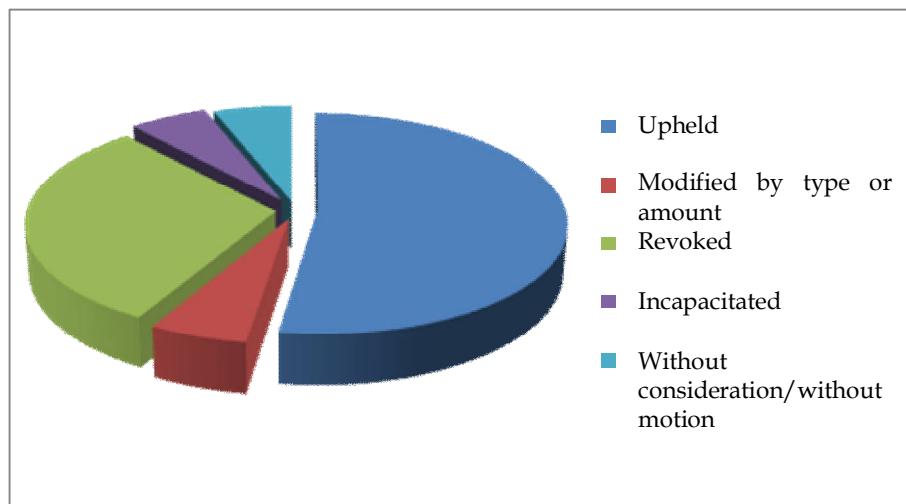
Without penalty imposed completed **29** disciplinary proceedings. Final decisions of judgment "terminated" are **7**. On the other disciplinary

cases in which there is an effective decision: **14** completed with rejected, **4** were canceled, **5** are withdrawn, **2** were rejected.

Appealed to the Supreme Court of Cassation total of 139 rulings of the Disciplinary Committee for the period 2006 - 2015. Of these, **105** are effective. The other **34** pending proceedings situation is as follows: **1** is stopped, **22** were declared resolved, **7** is pending appeal, **4** are scheduled for consideration at a public hearing in 2016, and **two** were returned to the Disciplinary Committee.

In the aforementioned 105 final decisions, following appeal to the Supreme Court of Cassation, the ruling of the cassation instance is as follows:

- on 55 of the decisions of the Disciplinary Committee were confirmed by the Supreme Court of Cassation;
- on 6 cases the Supreme Court of Cassation amended type or amount of the penalty imposed;
- on 32 cases the Supreme Court of Cassation repealed the penalty imposed;
- on 6 cases the Supreme Court of Cassation invalidate the decision;
- on 6 cases, the result is returned without consideration or without consideration.



From enacted 60 decisions of the Disciplinary Committee in 2015, 23 have entered into force the same year, and **37** were appealed to the Supreme Court of Cassation and the cassation court ruled as follows:

- upheld - 8;
- revoked - 3;
- modified - 1;
- 14 were declared resolved and 4 has a scheduled meeting in 2016;
- the remaining 7 are in the process of appeal.

As indisputable conclusion for the past ten years, the facts are that the Supreme Court generally upheld the judgment of the disciplinary panel decisions. The motives for engaging disciplinary responsibility of a private enforcement agent found its confirmation in the court acts.

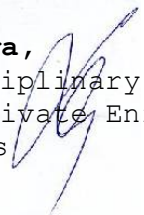
The analysis of the Committee's activity during the reporting period shows that some of the main offenses are:

1. Violation of Article 428 of the Civil Procedure Code (CPC) concerning the service of formal notice to the debtor;
2. Violation of Article 426, paragraph 1 and par. 2 of the Civil Procedure Code (CPC) related to the regularity of the request to initiate enforcement proceedings and taking enforcement actions, but they are requested by the creditor and without being entrusted with tasks of PEAs of Article 18 the Private Enforcement Agents Act (PEAA);
3. Violation of the provisions of Article 79 of the Private Enforcement Agents Act (PEAA), resulting in the draw of bills for charges;
4. Violations of the provisions of Article 433, paragraph 1, sub-paragraph 1-8 of the Civil Procedure Code (CPC) - related grounds for termination of enforcement proceedings;
5. Article 429, paragraph 1, paragraph 2 and paragraph 3 of the Civil Procedure Code (CPC) - disregarding subjective limits of the writ;
6. Accession of reinsurers as creditors in the case, in violation of Article 456, paragraph 2 of the Civil Procedure Code (CPC) in conjunction with Article 429 of the Civil Procedure Code (CPC);
7. Violations of the provisions of Article 80 the Private Enforcement Agents Act (PEAA) resulting in a lack of collected and paid upfront fees from the creditors;
8. Incorrect determining the amount of fees under section 26 Costs and Expenses Tariff to the Private Enforcement Agents Act;
9. Failure to comply with the provisions of Ordinance No. 4 dated February 06, 2006 for official archives of the PEA;
10. Disorders related to amounts received in the performance - Article 455 of the Civil Procedure Code (CPC);
11. Financial offenses;
12. Violations in connection with the procedure of a public sale.

Almost all of the requests from both the Council of the Chamber of Private Enforcement Agents (CPEA) and the Minister of Justice are committed numerous violations.

It should be noted that nearly 19% of the disciplinary proceedings generated in 2015 were for violations of Article 428 of the Civil Procedure Code (CPC) related to the service of formal notice to the debtor. Nearly 15% were for breaches of the provisions of Article 426 of the Civil Procedure Code (CPC), 15% of violations of Article 79 the Private Enforcement Agents Act (PEAA), 13% - violations of Article 433 of the Civil Procedure Code (CPC).

Maria Tsacheva,
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 2015



Dear Colleagues,

The past 2015 was a 10th jubilee since the establishment of the Chamber of Private Enforcement Agents and the first year after the election of new bodies of the Chamber. Pressure continued, but teams are mobilized to overcome the problems. The excellent work we have done in the working groups of the Justice Ministry contributed to this. The Supreme Administrative Court cancelled MS in the draft amendments to the Tariff of costs and expenses to the Private Enforcement

Agents Act submitted by the Ministry of Justice (without any debate, rationale and financial analysis). The new governance of the BCPEA has united the entire profession to preserve the independence of the profession and worthy reception of the 10th anniversary.

During the reporting year, the Council of the Chamber has managed to fulfill much of the pre-set goals and objectives. Improved control of the PEA, work continued in the development of electronic services by the Central Register of Debtors and the Register of Public Sales.

Moreover, the Supervisory Board of the Chamber of Private Enforcement performed its supervisory powers under Article 64 of the Private Enforcement Agents Act (PEAA), and sought to fully assist the Council on resolving any problems. The Chairman and members of the Control Committee participated in the meetings of the Board of the Chamber, as well as working groups to the Justice Ministry (MoJ).

In 2015, the continued development of precise and accurate accounting of income and expenses from operations of the Chamber, and there are the results of good cooperation with AFA Ltd., which three years ago took accounting attendance of the BCPEA.

The Supervisory Board considers that **the activities of the Council of the Chamber in 2015 was lawful, efficient and in a spirit of continuity**. There were 12 regular and 6 remote meetings to take 617 decisions, of which 111 operational, current economic issues and on 506 complaints. Meetings are held regularly and the required quorum, decisions are taken in strict compliance with the Constitution and internal translated the Chamber. Council members are divided into committees and are responsible for the relevant portfolio. At each meeting they were informed of the implementation of previous decisions taken by monitors in compliance with deadlines for their implementation. Any significant costs that are borne by the Chamber are taken decisions by the Chamber Council.

During this period the **Chamber continued to operate as an autonomous and financially solvent organization**. Total revenues of the Chamber

for 2015 were BGN 1 017 566.96. Income from activities amounted to BGN 339 514.76. The positive result in revenue in 2015 proved to be a competition for PEA, the exam fkr assiatnt PEAs and publication of the decision No. 2/2013 of the Supreme Court of Cassation, through increase in revenue from training, organized by the Chamber. In 2015, first decline in revenue growth from the Central Register of Debtors (about 20% below budgeted) was recorded. In the non-profit activities, the Chamber received entrance fees in the amount of BGN 320,000, and in 2016 new PEAs are expected to contribute new revenue in this budget heading to the Chamber.

In analyzing the costs incurred Control Committee found that they are reasonable and appropriate under accepted and voted budget and in accordance with decisions of the Board of the Chamber. All expenditure in the total amount of BGN 1 176 375.51, the main costs are subscription contracts, fund payroll administration, maintenance of sites, BCPEA maintenance of the Chamber headquarters, supplies, General Assembly, celebrating the 10th anniversary, salaries of inspectors monitoring offices for 2015, etc. In the process of conducting procedural protection of the Chamber in administrative proceedings before the Supreme Administrative Court, necessary and justified costs of legal assistance were made (decisions in 2014 and 2015 for the final remuneration of counsel). Another direction in which exceeded pre-planned budget is in connection with the celebration of the BCPEA 10th anniversary (the football tournament in June 2016 and the events in November and December 2016, promotional materials, gala cocktail, an international forum, cocktail, etc.). Overruns in this direction are comparable to overruns in 2010 in celebration of the 5th anniversary of the BCPEA. It should be noted that, in connection with events on the occasion of the 10th anniversary, that several colleagues undertook a number of costs that are not reflected in the Chamber budget (at conducting a football tournament, regional celebrations, national celebration).

In 2015, the BCPEA financial performance is negative (amounting to BGN 158,000), which is due to unbudgeted expenses for litigation on the administrative case before the Supreme Court and the celebration of the 10th anniversary. A negative result is offset by reserves of the Chamber from profit from previous years (2013 and 2014).

At the end of the financial year 2015, the financial status of the Chamber is stable, reserves exceed BGN 750,000 and the possible prospect for next year is a stable smooth growth of the positive financial result.

The accounting records are maintained according to national accounting, the financial statements and balance sheets are composed by AFA, a specialized accounting company.

The Chamber of Private Enforcement is a financially stable organization and continues to evolve in the ascendant, which contributes to better protect the rights and interests of the profession of citizens, business and society.

Ivan Hadzhiivanov
Chairperson of the Control Committee
Chamber of Private Enforcement Agents

