

# ACT ON COUNTERACTING CORRUPTION AND ON SEIZURE OF ILLEGALLY ACQUIRED PROPERTY

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## Chapter one. GENERAL PROVISIONS

Art. 1. This act shall provide for:

1. the measures for counteracting corruption;
2. the conditions and procedure for seizure in favor of the state illegally acquired property;
3. the statute and functions of the Commission for counteracting corruption and for seizure of illegally acquired property, called hereinafter "the Commission";
4. the interaction of the Commission with other state bodies and the international cooperation.

Art. 2. The act shall aim at protection of the society interests through:

1. effective counteracting corruption;
2. creation of guaranties, that persons, occupying high public positions perform their powers or obligations honestly and fairly, while observing the Constitution and the laws;
3. prevention of possibilities for illegal acquisition of property and disposal of it.

Art. 3. (1) Corruption in the meaning of this act shall exist, where as a result of the occupied high public position, the person abuses with power, violates or fails to perform official obligations in view to direct, or indirect retrieving unreasonable material or intangible benefits for themselves or for other persons.

(2) Counteracting corruption shall be realized through:

1. preventive activities under Chapter Four and the operative-searchable activity under Chapter Nine;
2. declaring incompatibility;
3. declaring property and interests of the persons, occupying high public positions and the related to them persons;
4. providing public access to declarations;
5. check of declarations;
6. check, analysis and assessment of the property status;
7. finding conflict of interests and imposing sanctions and other measures in case of found conflict of interests;
8. publication of the names of persons, who have not submitted declarations, or in whose declarations in compliance has been found, and the names the persons, for whom conflict of interests has been found;
9. referring the competent bodies in the cases, provided by this act;
10. other ways and means, provided by this act.

Art. 4. (1) This act shall apply while observing the following principles:

1. legality, transparency, independence, objectivity and impartiality;
2. raised responsibility of the persons, occupying high public positions;
3. publicity of the property of the persons, occupying high public positions;
4. respect and guarantee of rights and freedoms of citizens;
5. proportionality of intervention in personal and family life;
6. protection of information and the sources for its acquiring;
7. protection of persons, who have reported violation;

8. coordination and interaction between the state bodies;
9. political neutrality.

(2) For achieving the objective under Art. 2, restrictions may be imposed on the property, while observing the right to protection of affected persons and victims from crimes and no risk of injustice shall be admitted. Restriction of ownership, provided by this act shall apply to the rate, needed for achievement of the act objective.

Art. 5. (1) As property under Art. 1, p. 2 shall be considered property, for acquiring of which no legal source has been established.

(2) Proceedings for attachment of unlawfully acquired property shall be conducted, notwithstanding of the penal procedure against the inspected person and related to him/her persons.

(3) The procedures and sanctions under Chapter Eight and Chapter Ten of this act shall apply, notwithstanding of the actions and measures, undertaken under other acts, including starting a penal procedure.

Art. 6. (1) The persons, occupying high public positions in the meaning of this act, are:

1. The President and the Vice President;
2. The Members of the Parliament;
3. The Prime Minister, the Deputy Prime Minister, the Ministers and Deputy Ministers;
4. Members of the European Parliament from the Republic of Bulgaria;
5. Members of the European Commission from the Republic of Bulgaria and the Bulgarian citizens, occupying positions in the institutions of the EU, elected or appointed by a decision of upon proposal of a Bulgarian state body;
6. The Constitutional Court President;
7. The Presidents of the Supreme Cassation Court, of the Supreme Administrative Court, the General Prosecutor, their deputies, administrative heads of the judiciary bodies and their deputies, members of the Supreme Judicial Council, the Chief Inspector and the inspectors in the Inspectorate to the Supreme Judicial Council, judges, prosecutors and investigators;
8. The Ombudsman and the Deputy Ombudsman;
9. The President and Deputy President and members of the Communications Regulation Commission;
10. The President, Deputy Presidents and members of the National Audit Office;
11. The Chairperson and members of the Competition Protection Commission;
12. The Governor, Deputy Governors, members of the Governing Council and the General Secretary of the Bulgarian National Bank;
13. The Chairperson, Deputy Chairpersons, members and the General Secretary of the Financial Supervision Commission;
14. the Chairperson, Deputy Chairperson and members of the Discrimination Protection Commission;
15. The Chairperson and members of the Energy and Water Regulation Commission;
16. The President, Deputy Presidents and members of the Supervision Council, the Governor and Deputy Governor of the National Social Security Institute;
17. The Governor and Deputy Governor of the National Health Insurance Fund and the directors of the Regional Health – insurance funds;
18. Presidents and Deputy Presidents of state agencies, Chairpersons and members of state commissions, Executive Directors of executive agencies, heads of state institutions, established by an act or Council of Ministers Decree and their deputies;
19. The Chairperson, Deputy Chairpersons and members of the Counteraction of Corruption Commission and for attachment of illegally acquired property and the Directors of its territorial Directorates;
20. Members of the Executive Council of the Supervision Council of the Privatization and Post-

Privatization Control Agency;

21. The Director, Deputy Director and Chief Secretary of the Customs Agency, Directors of Directorates in the Central Customs Directorate, heads of Customs and their Deputies, heads of Customs offices and customs points;

22. The Executive Director, Deputy Executive Directors and the Chief Secretary of the National Revenue Agency, the Directors of Directorates of Central Office and the Directors of the Territorial Directorate of the National Revenue Agency;

23. Heads of the regional directorates on food safety of the regional health inspections, The National Contraction Control Directorate and its regional directorates, Agriculture State Fund and its regional directorates, of the regional departments of Automobile Administration, of the National Institute for Immovable Cultural Heritage and of its territorial units, of Chief Directorate Execution of Punishments, its Deputies and heads of its territorial offices, of Chief Directorate Security, his Deputy and the Directors of regional directorates, of the regional inspections on environment and waters, of Basin directorates of water management, of the national parks, of undertakings for management of environment activities;

24. The President and Deputy Presidents of National Security State Agency, State Agency for Intelligence and of Technical Operations State Agency, the head of the National Security Service and his deputies and the Director of Military Information Service and his deputies;

25. The President, Deputy President and members of the National Bureau for control of special intelligence devices;

26. The Chief Secretary of the Ministry of Interior and his Deputy, the administrative secretary, Directors of Chief Directorates and their Deputies, the Director of Internal Security Directorate, the directors of Regional directorates of the Ministry of Interior and their deputies;

27. Officers of the supreme command staff of armed forces pursuant to the Act on the Defence and Armed Forces of the Republic of Bulgaria;

28. General Secretaries of the National Assembly, of the President of the Republic and of the Council of Ministers, general and administrative secretaries of the administration of the executive, the Permanent Secretary of the Ministry of Foreign Affairs and the Permanent Secretary of the Defence;

29. Heads of inspectorates pursuant to the Administration Act;

30. Heads of the political cabinets;

31. Regional Governors and Deputy Regional Governors;

32. Mayors and Deputy Mayors of Municipalities, Mayors and Deputy Mayors of Regions, Presidents of Municipal councils, Municipal councilors and Chief architects of municipalities and regions;

33. Members of the Central Election Commission;

34. The President and members of the Electronic Media Council;

35. General Directors of the Bulgarian National Television, of the Bulgarian National Radio and of the Bulgarian Communication Agency;

36. The Bulgarian citizens occupying positions in the North-Atlantic Treaty Organization, who have been elected or appointed by a decision of upon proposal of a Bulgarian state body;

37. Heads of Foreign Representations of the Republic of Bulgaria;

38. The Bulgarian citizens, who by a decision or upon proposal of Bulgarian public bodies are members of governing or control bodies of international organizations, co-financed by the Republic of Bulgaria;

39. Members of the Governing council and the Supervision council of the Bulgarian Development Bank;

40. Members of the governing and control bodies of the National Electric Company and the Bulgarian Energy Holding, Directors of Directorates at the National Electric Company, members of governing and control bodies of subsidiary companies of the Bulgarian Energy Holding, members of

governing and control bodies of the Electro-Energy System Operator;

41. Presidents of political parties, receiving state subsidy, their deputies and persons, who under the Statute represent the political party;

42. Members of the governing and control bodies of the Bulgarian Red Cross;

43. Heads of budget organizations, or other authorized officials, who fulfill functions of bodies for financial management and control of EU funds and related to them national funding or foreign means under the provision of the Act on Public Finances;

44. Persons, authorized under the Public Procurement Act by public assigners, who are obliged persons under this act to organize and conduct procedures for awarding public procurement and sign the contracts;

45. The President of the Bulgarian Academy of Science, Rectors of the state higher schools and heads of military academies and of the higher military schools;

46. Governors and executive directors of medical establishments for hospital help, who are financed by the budget of the National health-insurance Fund and/or by the state or Municipal budget;

47. Members of governing councils of the state undertakings under the Forestry Act and directors of state forest and hunting farms;

48. The Executive director and heads of territorial units of the State Undertaking "Fund Prison";

49. Members of the Governing council and the Executive Director of Bulgarian Sport Totalizator State Undertaking;

50. Members of the governing bodies of economically separate persons and structural units under Art. 13, Para. 4 of the Public Finances Act.

(2) Submission and checkup of the property declarations and the checkup for conflict of interests of judges, prosecutors and investigators, including presidents of the Supreme Cassation Court and the Supreme Administrative Court, the General Prosecutor, the administrative heads of the judiciary bodies and their deputies shall be performed under the conditions and procedure of the Judiciary System Act. Rules for conflict of interests are implemented in this act, unless the Judiciary System Act provides otherwise.

(3) Heads of the administrations, who determine and discharge the persons under Para. 1, shall be obliged within 14-day term from issuance of the relevant act to notify about this the Commission. For the persons under Para. 1, p. 5, 34 and 36, the notification shall be performed by the head of the body, having adopted the decision or extended the proposal.

## **Chapter two.**

### **COMMISSION FOR COUNTERACTING CORRUPTION AND FOR SEIZURE OF ILLEGALLY ACQUIRED PROPERTY**

Art. 7. (1) A body for counteracting corruption in the meaning of this act for the persons, occupying high public positions shall be the Commission for counteracting corruption and for seizure of illegally acquired property.

(2) The Commission shall be independent specialized permanently acting state body for realization of the policy on counteracting corruption and seizure of illegally acquired property.

(3) The Commission shall be a legal person at budgetary support with central office – Sofia. The Commission budget shall be drawn up, implemented and accounted pursuant to the Act on the Public Finances.

(4) The Commission activity shall be supported by administration, which shall also include its territorial units, which have statute of directorates. To the administration of the Commission, the Administration Act shall apply, unless otherwise provided by this act.

(5) The regions of the territorial units of the Commission and the organization of operation shall be determined by the Rules under Art. 23. The territorial units shall be headed by directors and

assisted in their activity by inspectors

Art. 8. (1) The Commission shall be a collective body, which consists of 5 members – President, Deputy President and 3 other members.

(2) For the Commission President shall be elected a Bulgarian citizen of high professional and moral qualities, who holds higher education in law and at least 10 years judicial length of service.

(3) For Deputy Chairperson of the Commission shall be elected a Bulgarian citizen of high professional and moral qualities, who holds higher education in law, or in economy with educational-qualification Master's degree and at least 5 years' length of service in the specialty.

(4) For Commission members shall be elected Bulgarian citizens of high professional and moral qualities, who hold higher education with educational-qualification Master's degree and at least 5 years of professional length of service.

(5) The Commission Chairperson shall be elected by the National Assembly upon proposal of the MPs.

(6) The Deputy Chairperson and the members of the Commission shall be elected by the National Assembly, upon proposal of the Commission Chairperson.

(7) The Commission mandate shall be 6 years and shall start to run from the date of constitution of its composition. The Commission members shall operate their activity by the time the new Commission composition is constituted.

(8) The Commission Chairperson shall be first level budgetary spending unit.

Art. 9. (1) The proposals for Commission Chairperson shall be introduced to the National Assembly not earlier than 3 months and not later than 2 months before expiry of the Commission mandate and shall be published on the internet site of the National Assembly. The proposals shall have attached:

1. written grounds in details about the professional and moral qualities if the candidates;
2. documents, evidencing the requirements for occupying of the position.

(2) The proposals with a detailed professional biography of the candidates and the documents under Para. 1 shall be published in the term of up to 2 working days from their receiving on the [internet site](#) of the National Assembly. The name and grounds of the MP, having raised this candidature shall also be published.

(3) Publication of the proposals and the documents under Para. 1 shall be performed in compliance with the Protection of Personal Data Act and the Protection of Classified Information Act.

(4) Within 7-day term form publication of the candidatures, every candidate shall produce to the commission, which prepares the election, a written concept on his/her work as a Commission member. Within the same term, the candidates shall produce a declaration for incompatibility with declaration for property and interests under this act. All the concepts and declarations shall be published within the term of up to 3 working days from expiry of the term under sentence one, on the internet site of the National Assembly.

(5) Non-profitable legal persons, registered for performing community service, higher schools and scientific organizations, not later than 7 days before the hearing may produce to the commission opinions about the candidate, including questions, which are to be put to him/her. Anonymous opinions and signals shall not be considered.

(6) For every candidate, the specialized commission of the National Assembly, responsible for fight with corruption and conflict of interests, shall require form the Commission for disclosure of documents and declaring belonging of Bulgarian citizens to State security and the intelligence services of the Bulgarian National Army, to perform checkup for finding and declaring belonging to State security and the intelligence services of the Bulgarian National Army, where the results shall be published on the internet site of the National Assembly.

(7) The specialized commission of the National Assembly, responsible for the fight with corruption and conflict of interests, shall hear every candidate, who presents before it the concept under

Para. 4. The hearing shall be conducted in an open meeting of the commission not later than 7 days before conducting the election. For the hearing, a complete short-hand protocol shall be drawn up, which shall be published on the internet site of the National Assembly. In view of the received opinions under Para. 5, the commission members may also require additional documents, which the candidates must present.

(8) The commission shall draw up a detailed and grounded report on the professional and moral qualities of the candidates, by which it shall propose the candidatures for discussion and voting in the National Assembly. The report shall contain opinion about the presentation of the candidate, drawn up after his/her hearing before the commission and a conclusion about:

1. the minimal lawful requirements for occupying the position;
2. present data, which put into question the moral qualities of the candidate, his/her qualification, experience and professional qualities;
3. the specific preparation, the qualities and motivation for the relevant position.

(9) The report shall be published on the [internet site](#) of the National Assembly.

(10) For the election of Deputy Chairperson and members of the Commission, the provisions of Para. 1 – 9 shall apply correspondingly. The National Assembly shall elect individually each of the candidates.

Art. 10. (1) Member of the Commission may be every active Bulgarian citizen, who:

1. has not been convicted for perpetrated crime, notwithstanding of the rehabilitation, and has not been exempt from penal responsibility for premeditated crime;

2. has not been exempt from the right to occupy a certain state position or to exercise a certain profession or activity.

(2) A Commission member shall have the right to one mandate.

(3) A Commission member may not:

1. occupy position in state, or municipal bodies;

2. exercise commercial activity, or be partner, manager or participate in supervision, managing or control bodies of a commercial company, cooperation, state undertaking, or non-profitable legal person;

3. receive remuneration for performing an activity under a contract or under a civil legal relation with a state or social organization, with a commercial company, cooperation or non-profitable legal person, natural person or sole trader, apart from the cases of scientific and teaching activity, or for exercising author's rights;

4. exercise free lancing profession or other paid professional activity;

5. be a member in political parties or coalitions, in organization with political purposes, for perform political activity or to perform other activities, which affect his/her independence.

(4) In case of incompatibility under Para. 3, the elected Commission member shall be obliged within one -month term from the election to undertake the needed actions for removal of the incompatibility.

(5) Upon taking the office, the Commission members shall sign a declaration for political neutrality.

(6) After expiry of the mandate, the Commission, or in preterm termination of the legal relations under Art. 11, Para. 1, p. 2, a Commission member, having occupied the position of a judge, prosecutor or investigator shall be recovered at the occupied position before the election, where the time, during which he/she has been member of the Commission shall be considered as length of service under Art. 164, Para. 1 – 7 of the Judiciary System Act.

(7) The Commission members may not be related persons.

Art. 11. (1) The legal relations of a Commission member shall be terminated preterm by the National Assembly in case of:

1. death;

2. resignation;
3. objective impossibility to fulfill his/her obligations for more than 6 months;
4. conviction for perpetrated crime or exempting from penal responsibility for premeditated crime;
5. incompatibility under Art. 10, Para. 3, if the needed actions for its removal have not been undertaken within 1-month term from the election;
6. impossibility under Art. 10, Para. 6;
7. heavy violation or system failure to fulfill the official duties;
8. enforcement of an act, by which conflict of interests under has been found under Chapter Eight.

(2) In case circumstances occur under Para. 1 in relation to the Chairperson of the Commission, the Deputy Chairperson shall call the Commission immediately, which shall pronounce with a decision. In case that the Commission adopts a decision for extending a proposal for preterm termination of the legal relations of the Commission Chairperson, the decision shall be sent to the National Assembly.

(3) In case the circumstances occur under Para. 1, in relation to the Deputy Chairperson or to another Commission member, the Chairperson shall notify immediately the National Assembly. In case, that the National Assembly terminates pre-term the legal relations, the Commission Chairperson, within one-month term shall introduce a proposal for new election.

(4) The procedure for preterm discharge under Para. 1 may also begin upon request of one fifth of the MPs.

(5) In case of pre-term termination of the legal relations of a Commission member, within 2-month term from the termination, the National Assembly shall elect a new member, which should finish the mandate.

Art. 12. (1) The Commission Chairperson shall receive basic monthly remuneration in the amount of 90% of the basic monthly remuneration of the Chairperson of the National Assembly.

(2) The Deputy Chairperson shall receive basic monthly remuneration in the amount of 90% of the remuneration of the Commission Chairperson.

(3) The remaining Commission members shall receive basic monthly remuneration in the amount of 80% of the remuneration of the Commission Chairperson.

Art. 13. (1) The Commission shall:

1. realize preventive activities pursuant to Chapter Four;
2. collect, analyze and check data in connection with information about manifestations of corruption of persons, occupying high public positions;
3. carry out checks and analyses of property declarations and interests of persons, occupying high public positions;
4. find conflict of interests of persons, occupying high public positions; hear or require provision of information in relation to the checks, related to finding conflict of interests;
5. check signals in relation to declarations for incompatibility of the persons, occupying high public positions and shall refer the body of election or appointment for undertaking the relevant actions;
6. carry out check of the property status, adopt decision for extension of the check in the provided cases by the law and decisions for termination of the check;
7. form procedure for attachment of illegally acquired property, which includes introduction to the court a request for imposing precautionary measures and of a claim for attachment in favor of the state of illegally acquired property;
8. refuse formation of a procedure for attachment of illegally acquired property;
9. terminate the check under Art. 107, Para. 2 or shall extend its term;
10. terminate procedures for attachment of illegally acquired property and sign agreements under this act;
11. adopt rules for conducting integrity checks of the Commission employees and shall

organize their holding;

12. confirm forms of declarations under Art. 35, Para. 1, p. 2 and 4;

13. exercise other powers, provided by the law.

(2) The Commission decision shall be adopted by a majority of more than the half of all the members and shall be grounded. In the grounds shall state the facts, evidences, on the basis of which they have been found, as well as the legal conclusions drawn.

(3) The Commission decision under Para. 1, p. 4 and the grounded refusals under Para. 1, p. 8 shall be published immediately on the Commission website, while observing the requirements of the Protection of Personal Data Act and of the Protection of Classified Information Act.

(4) The Commission shall publish on its website all the decision of the court on judicial cases, in which it participates, including also those, not enforced and subject to appeal, also, the determinations for termination of court proceedings, including those, not enforced.

(5) The Commission decisions under Para. 1, p. 6 - 10 shall not be subject to appeal.

(6) A record shall be kept during the Commission meetings.

Art. 14. (1) The Commission Chairperson shall:

1. represent the Commission;

2. organize and direct its activity;

3. appoint and chair the meetings;

4. control and be responsible for the budget implementation;

5. issue penal decrees for violations of this act

6. appoint the directors of the territorial directorates and the inspectors in them, amend and terminate their legal relations;

7. appoint the director of the directorate under Art. 16, Para. 2 and the inspectors in it;

8. exercise the functions of a body on appointment in relation the civil servants and of an employer in relation to the employees, working under and employment legal relation in the Commission administration;

9. assign performing of preventive activities under Chapter Four;

10. perform cooperation with foreign and international institutions and Bulgarian and foreign non-governmental organizations;

11. fulfill also other functions, provided by the law.

(2) The Chairperson may distribute to the Commission members the organization of the activity in individual branches.

(3) The Commission Deputy Chairperson shall assist the Chairperson and shall replace him/her in case of his absence.

Art. 15. (1) The Commission administration shall consist of:

1. inspectors and other civil servants;

2. civil servants under Chapter Nine – inspectors and director of directorate under Art. 16, Para. 2;

3. persons, working under labor legal relations.

(2) The status of the civil servants under Para. 1, p. 1 shall be provided by the Civil Servants Act.

(3) The status of the civil servants under Para. 1, p. 2 shall be provided by this act.

(4) The status of the persons, working under labor legal relations shall be performed under the conditions and procedure of the Labour Code.

(5) As inspectors and directors under Para. 1, p. 1 shall be appointed persons, holding higher education, who have passed successfully an integrity check, after conducting a competition.

(6) More than half of the appointed inspectors in the Commission central administration must hold higher education in law, or economy.

(7) The Commission inspectors and directors shall agree to be subject to periodic and incidental



integrity checks during the occupation of their positions.

(8) The integrity checks shall be realized under rules, adopted by the Commission, where they shall obligatorily include check of the circumstances, which are declared under this act. The rules are published on the Commission website.

(9) In case of not passing an integrity check shall be ground for discharge of the occupied position.

(10) At appointment in the relevant position, the employees shall sign declarations for political neutrality.

Art. 16. (1) Commission bodies shall be the directors of the territorial directorates and the inspectors in them.

(2) Commission bodies shall also be the director of the directorate, which carries out activities for counteracting corruption through collecting, analyzing and checks of data in relation to information for manifestations of corruption of persons, occupying high public positions and the inspectors in it.

(3) As directors of the territorial directorates under Para. 1 shall be appointed persons, who hold higher education in law, or economy and have at least 5 years length of service in the specialty, and meet the requirements for occupying the positions under Art. 10, Para. 1, as well as the requirements of incompatibility under Art. 10, Para. 3,

(4) As inspectors in the territorial directorate under Para. 1 shall be appointed persons, holding education in law, or economy, who meet the requirements for incompatibility under Art. 10. Para. 3.

Art. 17. (1) The National Assembly shall perform control over the Commission activity.

(2) The Commission members shall be obliged in case of invitation to appear in the National Assembly and provide the required information.

(3) The control over the activity under Chapter Nine shall be performed by the National bureau for control of the specialized intelligence means and by the specialized permanent commission of the National Assembly under the conditions and procedure of the Special Intelligence Devices Act.

Art. 18. (1) The Commission shall yearly by 31 March present to the National Assembly a report on its activity.

(2) Within the same term the report shall be presented to the President of the Republic and to the Council of Ministers and shall be published on the Commission Website.

Art. 19. (1) The, to the e information, become known to the Commission members, to the bodies under Art. 16, Para. 1 and 2, as well as to the employees in the administration on the checks and the proceedings, related to seizure of illegally acquired property, in relation to implementation of their duties, shall be classified information in the meaning of the Protection of Classified Information Act.

(2) With taking the position by the persons under Apra. 1, as well as the other employees in the administration shall sign a declaration, that they shall not disclose the information, become known to then during fulfillment of their duties and after their discharge from office.

(3) The Commission members, the directors if directorates, inspectors and the administration employees shall sign a declaration for private interests and a declaration for a private interest in a concrete case.

Art. 20. The Commission members and the bodies under Art. 16, Para. 1 and 2 shall not bear property responsibility for caused damages while exercising their assigned powers under this act, unless the damages have occurred as a result of a crime of general nature.

Art. 21. The Commission members and the bodies under Art. 16, Para. 1 shall be insured for Accident insurance and Life insurance during, or in relation to fulfillment of their official duties at the expense of the state budget.

Art. 22. (1) The length of service of the Commission members and of the directors and inspectors in the directorates and of the persons in the administration, occupying position, for which higher education in law and legal capacity is required, shall be considered as legal length of service.

(2) The length of service under Para. 1, occupying a position, for which higher economic

education is required, shall be considered as length of service in the specialty in the public sector

(3) The labor of the Commission members and of the bodies under Art. 16, Para. 1 and 2 shall be considered as of first category.

(4) While fulfilling their official duties, the bodies under Art. 16, Para. 1 and 2 shall travel free in the public urban transport.

Art. 23. (1) The procedure and activity of the Commission and of its administration shall be provided by Rules of procedure.

(2) The Rules of procedure shall be adopted by the Commission and shall be published in the State Gazette.

### **Chapter three.**

## **INTERACTION OF THE COMMISSION WITH OTHER STATE BODIES AND INTERNATIONAL COOPERATION**

Art. 24. (1) For achieving the objective of this act, the bodies of the Commission, the Ministry of Interior, the bodies of the National Security State Agency, the bodies on revenues, the bodies of the Customs Agency, the General Inspectorate of the Council of Ministers, the Inspectorate of the Supreme Judicial Council and the inspectors under Art. 46 of the Administration Act shall interact pursuant to their provided competence.

(2) The conditions and terms for realization and interaction shall be determined by a joint instruction of the General Prosecutor, the Minister of Finance and the Minister of Interior, the President of the National Security State Agency, the Chief inspector of the Inspectorate of the Supreme Judicial Council and the Commission.

Art. 25. The prosecutor, who is competent to examine the pre-trial procedure or the file for a crime under Art. 108, Para. 1, shall immediately notify the director of the relevant directorate about:

1. the decrees, with which is refused the formation of a pre-trial procedure;
2. the decrees, with which the pre-trial procedure is stopped or termination under Art. 108, Para. 2;
3. the decrees, with which the pre-trial procedure is stopped under Art. 108, Para. 3;
4. the introduction of the indictment act, of a decree with a proposal for release the accused from criminal liability with imposing an administrative punishment or of an agreement for resolving the case in the court;
5. the imposed precautions measures over the property of the accused.

Art. 26. (1) While fulfilling their powers under this act, the bodies under Art. 16, Para. 1 and 2 may require assistance, information and documents, including in electronic mode from the state and municipal bodies, traders, credit institution, from notaries and bailiffs, as well as from other natural and legal persons.

(2) The bodies and persons under Para. 1 shall be obliged to provide information in the term of up to 1 month from the moment of their requirement with the exception of those, which are provided in a special procedure.

(3) The exchange of classified information shall be performed in compliance with the Protection of Classified Information Act.

(4) Processing personal data shall be performed in compliance with the Personal Data Protection Act

(5) The Commission and the directors of the relevant directorates shall provide to the Revenue National Agency bodies information about the seized in favor of the state property and its location.

Art. 27. (1) For fulfillment of the activities under Chapter Nine by the bodies under Art. 16, Para. 2, interaction shall be performed between the Commission and:

1. the Prosecution;

2. The Ministry of Interior;
3. National Security State Agency;
4. Technical Operations State Agency;
5. Intelligence State Agency;
6. Military Police service.

(2) The procedure and terms for realization of the interaction under Para. 1 shall be determined by joint instructions.

Art. 28. (1) For every action under this act, the bodies under Art. 16, Para. 1 and 2 shall draw up records, unless where the performed action has been certified by another document.

(2) Persons, who during, or in connection with performing their official duties, information has become known to them about the conducted check, shall not have the right to disclose it.

Art. 29. (1) The Commission shall exchange information about the objectives of this act with the competent bodies of other states and with international organizations on the basis of international acts and international agreements, which are in force for the Republic of Bulgaria.

(2) The Commission shall sign international agreements for exchange of data in checks of the declaration under Art. 35, Para. 1, p. 2.

#### **Chapter four.**

### **CORRUPTION PREVENTION**

Art. 30. The Commission shall perform the state policy on corruption prevention, by:

1. collecting, summarizing and analyzing information about the national anti-corruption policies and measures;
2. carrying out analyses, developing and proposing measures for prevention and counteracting corruption and coordinating their application, including in sectors:
3. realizing activities for dissemination of information, related to counteracting corruption, including anti-corruption policies and measures.

Art. 31. For performing its duties under Art. 30, p. 1, the Commission shall:

1. collect, summarize information and maintain data base for implementation of the anti-corruption policies and measures;
2. carry out observation and periodic assessment of the application of the anti-corruption measures, including in sectors;
3. collect and summarize good practices;
4. analyze and provide information to the national, European and international anti-corruption institutions and organizations.

Art. 32. (1) For implementation of its obligations under Art. 30, p. 2, the Commission shall:

1. coordinate every draft act, drawn up by the executive bodies, on presence of a corruption risk, as well as carry out a follow up analyses of the act impact;
2. identify and analyze risk zones for corruption;
3. develop measures with anti-corruption direction;
4. assist methodically the application of the measures under p. 3;
5. carry out a follow-up analyzes of the impact in relation to the applied measures under p. 3;
6. develop methodologies for assessment of the corruption risk, ethic behavioral standards, systems for check-up of integrity and shall give assistance for their application;
7. develop application for amendment of the legislation with anti-corruption direction.

(2) The analyses and proposals, drawn up by the Commission for anti-corruption measures shall be provided to the competent bodies, which shall be obliged to address them within one-month term and to inform the Commission about the undertaken measures and terms for their application, as well as about the failure for undertaking the measures by them and the grounds for that.

Art. 33. For implementation of the its obligations under Art. 30, p. 3, the Commission shall:

1. organize conducting training, seminars and information campaigns with anti-corruption direction;
2. provide opinions on requests of interested persons on the implementation of the act in relation to corruption prevention;
3. organize studies and analyzes of public opinion;
4. also undertake other suitable actions.

Art. 34. While realizing its activity on corruption prevention, the Commission shall interact with other state bodies, bodies of the local self-government, nongovernmental organization, business representatives, as well as with international organizations.

## **Chapter five. DECLARATIONS**

### **Section I. Obligation for declaring**

Art. 35. (1) The persons, occupying high public positions, with the exception of those, obliged under the Judiciary System Act, shall submit the following declarations:

1. declaration for incompatibility;
2. declaration for property and interest;
3. declaration for change in already declared circumstances in the declaration under p. 1;
4. declaration for change in declared circumstances in the declaration under p. 2 in the part of interests and for the origin of means in pre-term payment of obligations and credits.

(2) The declarations under Para. 1, p. 1 and 3 shall be submitted before the body of the election, or appointment, and the declarations under Para. 1, p. 2 and 4 – before the Commission.

(3) The declarations under Para. 1, p. 1 and 3 shall be submitted in a form, confirmed by the body of election or appointment.

(4) The declarations under Para. 1, p. 2 and 4 shall be submitted in a form, confirmed by the Commission.

(5) The declarations shall be submitted on paper and in and electronic media. A declaration, submitted only in an electronic media shall be considered as not submitted, unless where it is submitted in compliance with the on the Electronic Document and Electronic Trust Services Act.

Art. 36. (1) With the occupation of a high public position, for which with the Constitution, or with law incompatibilities have been found, the person shall submit before the body of election or appointment, or before the relevant commission for a person under Art. 72, Para. 2, p. 1 and 3, a declaration for incompatibility within 1-month term form the occupation of the position.

(2) In case of a change of the occupied position, a person who remains obliged under this act, shall not submit a new incompatibility declaration, unless for the new position different incompatibles are provided.

(3) Where the person has declared presence of incompatibility, he/she shall be obliged within 1-month term form submission of the declaration, to undertake the needed actions for removal of the incompatibility and to produce evidences for this fact before the body of election or appointment.

(4) In case that the person fails to undertake actions for removal of the incompatibility within the term under Para. 3, the body of election or appointment shall undertake actions for termination of the legal relations.

(5) Where a special act provides obligations for submission of an incompatibility declaration by the relevant persons before occurrence of the employment, or civil legal relations, these persons shall not submit additional incompatibility declaration after occurrence of the legal relation.

Art. 37. (1) Persons, occupying high public positions, with the exception of those, obliged under the Judiciary System Act, shall submit before the Commission a declaration on property and interests in the country and abroad, in which they shall declare:

1. real estate;
2. motor vehicles, water and aircraft vehicles, as well as other vehicles, which are subject to registration under the law;
3. cash amounts, including deposits, bank accounts and receivables of total value above BGN 10 000, including foreign currency;
4. investments in investment and pension funds and equivalent forms of savings and investments, if their total value exceeds BGN 10 000;
5. available securities, shares in companies with limited liability and limited partnerships and financial instruments under Art. 3 of the Markets of Financial Instruments Act;
6. obligations and credits above BGN 10 000, including credit cards, if the absorbed credit limit during the previous calendar year in local or foreign currency exceeds BGN 10 000;
7. labor incomes, received during the previous calendar year;
8. incomes apart from those for the occupied position, received during the previous calendar year, exceeding BGN 1000;
9. someone else's real estate and someone else's motor land, water vehicles and aircraft in the value above BGN 10 000, which the person, or his/her spouse, or the person, with whom he/she is on factual cohabitate on marital grounds, permanently uses, notwithstanding of the reasons for that and of the conditions of use;
10. given collateral and made costs from them or in their favor, or in favor of the persons under Para. 4 with their agreement, where they are not paid with own means, with public means or with means of the institution in which they occupy the position, for:
  - a) training;
  - b) travelling;
  - c) other payments with a single price above BGN 1000;
11. costs for training apart from the cases under p. 10, including in favor of the persons under Para. 4, whose single value exceeds BGN 1000;
12. participation in commercial companies, in bodies of management and control of commercial companies, of non-profitable legal persons, or of cooperatives, as well as performing activity as a sole trader on the date of the election or appointment and 12 months before the date of election or appointment;
13. contracts with persons, who carry out an activity in areas, related to receivables by the person, occupying high public position, decisions in the sphere of his powers or obligations under the office;
14. data about related persons, to the activity of which the person, occupying higher public position, has private interest.

(2) With the annual declaration of the property under p. 3 – 6, the availabilities by 31 December of the previous calendar year shall be indicated.

(3) With the declaration of the property under Para. 1, if it has been acquired during the occupation of the position, also the legal grounds and the origin of the funds, with which their acquisition has become, shall be indicated.

(4) Persons, occupying high public positions shall declare the property and the incomes of their spouses or of the persons, with whom they are in factual cohabitate under marital grounds, and of the children not having reached full age.

(5) Persons, occupying high public positions, may not declare the property and incomes of their spouses in a factual separation and of the children not reached full age, when they do not exercise parental rights.

(6) The obliged person shall submit a declaration about the circumstances under Para. 5.

(7) Persons, occupying high public positions, may submit a declaration, that they do not wish the information about the person, with whom they are in factual cohabitate under marital ground to be published, also on the property and incomes of this person.

Art. 38. (1) A declaration for property and interests shall be submitted:

1. within one-month term from the occupation of the high public position;
2. annually by 15 May – for the previous calendar year;
3. within 1-month term form the dismissal of the position;
4. within 1-month term form expiry of one year after submission of the declaration under p. 3.

(2) Within the term of up to 1-month form submission of the declaration for property and interests, the relevant person may make a change in his declaration, where this is imposed for removal of incompleteness or errors in the declared circumstances.

Art. 39. Persons, occupying high public positions shall submit declarations under Art. 35, Para. 1, p. 3 and 4 within 1-month term after the change occurred.

Art. 40. (1) Within 1-month term from expiry of the terms under Art. 36, Para. 1 and Art. 39, the body of the election or appointment shall publish on its website the declarations of the persons, occupying high public positions and a list of the persons, who have not submitted declarations within due time.

(2) Within 2-month term from expiry of the terms under Art. 38 and 39, the Commission shall publish on its website the declarations of the persons, occupying high public positions and list of the persons, who have not submitted declaration within due time.

## **Section II. Registers of declarations**

Art. 41. (1) The body of the election or appointment shall maintain a public register of the incompatibility declarations and the declarations for change of declared circumstances in the incompatibility declarations for the persons under Art. 35, Para. 1.

(2) The Commission shall accept the declarations for property and interests and for change in declared circumstances in the declarations for property and interests in the part of interests and shall register them in the public register under Art. 169, Para. 1. p. 1.

(3) The public register under Art. 169, Para. 1, p. 1 shall contain the information under Art. 37, Para. 1.

Art. 42. (1) Every person shall have the right to access to the data of the registers under Art. 169, Para. 1.

(2) The access shall be provided via the website of the Commission, or of the body of election or appointment, while observing the Personal Data Protection Act.

(3) Every person shall have the right to receive information, related to the data of the registers under Art. 169, Para. 1 under the procedure of the Access to Public Information Act.

(4) The conditions and procedure for storage of the data of the register under Art. 169, Para. 1 shall be provided by the Rules under Art. 23.

## **Section III. Checking the declarations and the property status**

Art. 43. (1) Within the term of up to 6 months form expiry of the terms under Art. 38 and 39, the Commission inspectors shall check and analyze the information from the declarations for property and interests of the persons, occupying high public positions, concerning the veracity pf the facts, declared.

(2) The check of the declarations for property of judges, prosecutors and investigators, including the Presidents of the Supreme Cassation Court and the Supreme Administrative Court, the General Prosecutor, the administrative heads of the judiciary bodies and their deputies, shall be performed under the conditions and procedure of the Judiciary System Act.

Art. 44. (1) The check of declarations shall be performed through direct access to the electronic registers, data bases and other information arrays, maintained by other state bodies, with the exception of the security services. The exchange of information with security services shall be performed under the instructions of Art. 24, Para. 2 and Art. 27, Para. 2.

(2) The Commission inspectors may require additional information from the state bodies, the bodies of the local self-government, and the local administration, the judiciary bodies and from other institutions, before which the declared facts are subject to entry, declaring or certification.

(3) The bodies and institutions under Para. 1 shall be obliged within 30- day term from receiving the request to provide the needed information.

(4) The check shall be performed through comparing the declared facts and the information, received under Para. 1.

(5) (Amend. – SG 20/18, in force from 06.03.2018) The Commission may receive information form the information systems under Art. 56 and Art. 56a of the Credit Institutions Act, as well as request disclosure of bank secret.

(6) The Commission may request also disclosure of insurance secret, as well as tax and security information.

Art. 45. The check shall be finalized with a compliance report, in case no difference is found between the declared facts and the received information. In the other cases, the check shall finish with an incompliance report.

Art. 46. (1) In case of found incompatibility, the Commission shall notify the relevant person and shall give him/her 14-day term for removal of the incompleteness and errors in the declared circumstances. Removal of incompleteness and errors shall be performed under the procedure for submission of a declaration.

(2) In case of found incompatibility during a check of the declarations, the Commission shall publish on its website the conclusions about the persons, in which incompatibility is found in the declarations, which has not been removed within the term under Para. 1.

(3) In case of found incompatibility after the term under Para. 1, in an amount not smaller than BGN 5000, the Commission shall adopt a decision for sending the materials from the check to the National Revenue Agency for undertaking actions under the Tax-insurance Procedure Code.

(4) In case of found incompatibility after the term under Para. 1 in the amount not smaller than BGN 20 000, the Commission shall adopt a decision for performing a checkup of the property status of the person, occupying high public position under Chapter Ten.

(5) The Inspectorate under the Supreme Judicial Council, in case of finding incompatibility between the declared and established fact in the amount, not smaller than BGN 20 000, shall notify the Commission for performing a checkup under Chapter Ten of the property status of the person, occupying high public position.

## **Chapter six. SYGNALS**

Art. 47. (1) Anyone, who has data concerning corruption, or conflict of interests in the meaning of this act about a person, occupying high public position may send a signal to the Commission.

(2) As a signal shall also be accepted a publication in the mass media, if it meets the requirements under Art. 48, Para. 1, p. 2 – 4.

(3) Every signal shall be registered in the Commission immediately after its receiving.

(4) The signals are examined while observing the principles, indicated in Art. 4.

(5) Signals, which are not of the Commission competence shall be immediately resent on competence to the relevant body.

(6) Anonymous signals shall not be examined and shall not be resent on competence.

(7) Signals, sent to the Commission for conflict of interests, or for corruption in the meaning of this act against a judge, prosecutor, or investigator, containing data about acts, which harm the prestige of the judiciary, and such, related to violation of the independence of judges, prosecutors and investigators, shall be sent for check to the Inspectorate under the Supreme Judicial Council within the frames of its powers.

Art. 48. (1) Every signal shall contain:

1. full name, Unified Civil Number, address, telephone number, fax number and e-mail address of the sender, if any;

2. the name of the person, against whom the signal is sent and the occupied by him high public position;

3. concrete data about the stated violation, including the place and period of perpetrating the violation, description of the deed and other circumstances, in which it has been perpetrated;

4. reference of documents, or other sources, which contain information, supporting the contents of the signal, including indication of data about persons, who would be able to confirm the massaged data, or provide additional information;

5. date of submission of the signal;

6. signature of the person, having sent the information.

(2) To the signal, any type of sources of information may be attached, supporting the statements made therein.

(3) The Commission chairperson shall confirm a form of a signal, which shall be accessible on the Commission website, as well as on the spot.

## **Chapter seven.**

### **PROTECTION OF THE PERSON, HAVING SENT THE SIGNAL**

Art. 49. (1) Persons, who have been assigned to examine the signal, shall be obliged:

1. not to disclose the identity of the person, sent the signal;

2. not to disclose facts and data, which have become known to them in relation to the examination of the signal;

3. to keep the written documents, given to them, from unregulated access of third persons.

(2) The persons, under Para. 1 shall propose to the relevant heads undertaking concrete measures for observing the identity of the person, sent the signal, including measures, preventing actions, through which he may be imposed by psychological or physical pressure.

Art. 50. In special cases, upon request of the Commission chairperson, assistance of the Ministry of Interior bodies may be sought for undertaking additional measures for protection of the person, having sent the signal.

Art. 51. Any person, who has been fired, pursued, or in relation of whom actions have been undertaken, leading to psychological or physical harassment, because of the fact, that he has sent a signal, shall be entitled to compensation under a judicial procedure for suffered property and non-property harms,

## **Chapter eight.**

### **CONFLICT OF INTERESTS**

#### **Section I.**



## **Definitions**

Art. 52. Conflict of interests occurs, where a person, occupying high public position has private interest, which may influence his impartiality and the objective fulfillment of his powers or official duties.

Art. 53. Private shall be any interest which leads to benefit of material or non-material nature for a person, occupying high public position, or for related to him persons, including any undertaken obligations.

Art. 54. Benefit shall be any income in cash or in property, including acquiring shares or assets, as well as provision, transfer or refusal from rights, receiving goods or services free or at prices, lower than the market ones, receiving privilege or honor, assistance, voice, support or influence, advantage, receipt or promise of work, office, gift, award, or promise for avoiding loss, responsibility, sanction or other unfavorable event.

## **Section II.**

### **Prohibits and restrictions related to performing high public position**

Art. 55. Any person, occupying a public position shall not represent the state, or municipality in cases, where he/she has private interest in taking a certain decision.

Art. 56. Any person, occupying high public position shall not be entitled during performing his duties to vote in private interest.

Art. 57. Any person, occupying high public position shall not be entitled to use his/her official position in order to cause influence in a private interest over other bodies or persons, during preparation, adoption, issuance or ruling of acts, or during performing of controlling or investigating functions.

Art. 58. Any person, occupying high public position shall not be entitled to participate in the preparation, discussion, adoption, issuance or ruling of acts, to perform controlling or investigating functions, or to impose sanctions in private interest. Such a person shall not be entitled to sign contracts or perform other activities in private interest while performing his official powers of duties.

Art. 59. (1) Any person, occupying high public position shall not be entitled to dispose of state or municipal property, to spend budget means, including from funds of the EU, or provided by the EU to the Bulgarian state, to issue certificates, permits, or licenses, or perform control on these activities in the interest of non-profitable legal persons, trade companies or cooperatives, in which he/she, or related to him/her persons are members of a management, or control body, managers, partners or possess shares or assets.

(2) The prohibition under Para. 1 shall be imposed in relation to related persons to the person, occupying public position, who are sole traders.

(3) Any person, occupying high public position shall not be entitled to perform the activities under Para. 1 also in the interest of non-profitable legal persons, trade companies or cooperatives, in which he/she has been member of an management or control body, manager. Partner or has possessed shares or assets one year before the date of his/her election or appointment, or while he occupies the position.

Art. 60. Any person, occupying high public position shall not be entitled to use or permit using in private interest information, received while performing his/her official powers or duties while occupying the position also one year after leaving it, unless a special act provides otherwise.

Art. 61. Any person, occupying high public position shall not be entitled to perform consultant activity in relation to persons, who are interested in the acts, issued while performing his/her official powers or duties.

Art. 62. Any person, occupying high public position shall not be entitled to give consent, or use his/her official status for commercial advertisement.

### **Section III.**

#### **Actions for prevention of conflict of interest**

Art. 63. (1) Where a person, occupying high public position has private interest, he/she shall be obliged to withdraw from performing a concrete power, or official duty, by notifying the body of election or appointment.

(2) Where at a meeting of a collective state body or a body of the local self-government an issue is discussed or solved, in which its member has declared a private interest, he/she shall not be able to participate in the discussion and vote. In these cases, the decisions shall be adopted with the envisaged majority by the members of the body, while excluding the person, who has declared private interest. The circumstances of this Paragraph shall be written in the records of the relevant meeting.

Art. 64. The body of election or appointment shall be obliged to withdraw a person, occupying high public position, if it has information about his/her private interest in relation to a concrete official power or obligation.

Art. 65. (1) Self-withdrawal, or withdrawal shall be made immediately after occurrence or learning about the data for availability of a private interest.

(2) Self-withdrawal, or withdrawal shall be grounded, while indicating the private interest, which is the reason for withdrawal from performing a concrete power or obligation.

Art. 66. Where an act provides special grounds for withdrawal and self-withdrawal, the special act shall be applied thereof.

### **Section IV.**

#### **Restrictions after dismissal from a high public position**

Art. 67. Any person, occupying high public position, in relation of whom a conflict of interest, or a relevant violation of Art. 68, or 69 has been established, shall not be entitled during one year from the enforcement of the decision, by which the conflict of interests has been established, to occupy a public position.

Art. 68. (1) Any person, who has occupied a high public position, shall not be entitled during one year from his/her dismissal from the position, to sign labor contracts, contracts for consultant services or other contracts for performing head or control functions with trade companies, sole traders, cooperatives or non-profitable legal persons, in relation to which during the last year of performing his/her official powers, or duties has realized an order, regulation or control, or has signed contracts with them, as well as being a partner, to possess shares, or assets, to be manager or member of a managing or controlling body of such trade companies, cooperatives or non-profitable legal persons.

(2) The restrictions shall also apply to trade companies, related to the companies under Para. 1.

Art. 69. (1) Any person, having occupied high public position, who during the last year of performing his/her official powers, or duties has participated in conducting procedures for public procurements or in in procedures, related to provision of means from the EU funds, or provided by the EU to the Bulgarian state, shall not be entitled during one year after his dismissal from the position to participate or represent a natural or legal persons in such procedures before the institution, in which he/she has occupied the position or before controlled by it legal person.

(2) The prohibition for participation in procedures for public procurement, or in procedures, related to provision of means from the EU fund, or provided by the EU to the Bulgarian state, shall also apply to a legal person, in which the person under Para. 1 has become a partner, possesses shares or is manager, or member of a managing, or control body after his/her dismissal from the position.

Art. 70. The provisions of this Section shall apply, unless a special act provides otherwise.

### **Section V.**

## Finding conflict of interests

Art. 71. (1) Finding conflict of interests shall be performed after a signal, submitted to the Commission, upon a Commission decision, or upon a request of the person, occupying high public position.

(2) Finding conflict of interests shall be performed after an anonymous signal.

(3) The procedure of finding conflict of interests of the Commission members shall be formed with a Commission decision, taken unanimously in a secret voting, excluding the person, for whom the decision is voted.

Art. 72. (1) In a procedure of finding conflict of interests, the Commission shall require and receive the needed information and documents from the commissions under Para. 2, p. 1 and 3, or from the body of election, or appointment.

(2) The information shall be prepared for:

1. The President, Vice President, the President and judges of the Constitutional Court, the MPs. The Prime Minister, the Deputy Prime Ministers, the Ministers, the Ombudsman, the Deputy Ombudsman, the elected members of the Supreme Judicial Council, the President, Deputy President and the members of the National Audit Office, the Governor, Deputy Governors and members of the Governing Council of the BNB, the Governor and Deputy Governor of the National Security Institute, members of bodies, which thoroughly or partially are elected by the National Assembly – by the permanent commission of the National Assembly;

2. Deputy Ministers, Regional Governors and Deputy Regional Governors, Sole bodies, their deputies and members of college bodies under Art. 19, Para.4 of the Administration Act, apart from those under p. 1 of the Chief Inspectorate of the Council of Ministers;

3. the Municipal counselors and Mayors – by the permanent commission of the relevant Municipal council;

4. persons, occupying high public positions, apart from those, under p. 1 – 3 – by the inspectors or the body of election or appointment.

(3) In a procedure of finding conflict of interests, the Commission shall require and receive information from bodies of the state power, bodies of the local self-government, as well as from legal and natural persons.

(4) The bodies and persons under Para. 1 and 3 shall be obliged within 7-day term from receiving the request to produce the needed information and documents.

(5) In the procedure for finding conflict of interests, evidences shall be collected under the Administrative Procedure Code and the person, against whom the procedure is formed, shall be heard.

(6) The person, against whom the procedure is formed, shall be made available for acquaintance with all evidence gathered and shall be given a possibility to make objection within 7-day term from their presentation.

(7) The person, against whom the procedure is formed, may produce and indicate new evidences, which are to be collected, as well as lawyer's defense in the procedures under this Section, while observing the protection of the person, having given the signal under Chapter Seven.

Art. 73. The procedure for finding conflict of interests, as well as for the violations under Art 68 and 69 shall be formed within the term of 6 months from the finding, but not later than 3 years from the perpetrated violation.

Art. 74. (1) The Commission shall pronounce with a grounded written decision within the term of up to 2 months from formation of the procedure. In cases of factual and legal complexity, the term may be extended once by 30 days.

(2) The decision under Para. 1 shall contain:

1. factual and legal ground for its ruling;

2. the objections and grounds, made by the person in case of not-accepting;

3. dispositive part, which established availability or lack of conflict of interests; a fine under Art. 171 shall be imposed, its amount shall be defined and attachment under Art. 81 shall be ruled, if there are grounds for that;

4. term and body, before which may be appealed.

(3) The decision under Para. 1 shall also indicate term for voluntary fulfillment of the imposed fine.

(4) For imposing administrative-penal responsibility with the decision under Para. 2, no act shall be drawn up for establishment of administrative violation and not penal decree shall be issued.

Art. 75. The Commission decision shall be announced to:

1. the interested person;

2. the competent body to terminate the legal relations;

3. the district prosecution upon the central office of the body under p. 2.

Art. 76. (1) The Commission decision, which establishes conflict of interests, may be objected by the interested person, before the court under the Administrative Procedure Code.

(2) The prosecutor may submit protest to the court within 1-month term from announcing the decision, which established lack of conflict of interests.

Art. 77. Where data for a perpetrated crime are established, the materials shall be sent immediately to the prosecution.

Art. 78. (1) The provisions under Art. 71-76 shall also be applied correspondingly to the proceedings for violations under Section IV.

(2) The decision, by which violation of a provision of Section IV is found, shall also impose a fine under Art. 171

Art. 79. For unsettled issues under this Section, the Administrative Procedure Code shall apply.

## **Section VI.**

### **Consequences in finding conflict of interests**

Art. 80. (1) Finding conflict of interests with an enforced act shall be ground for dismissal from position, unless where the Constitution provides otherwise.

(2) The dismissal shall be performed under a procedure, provided by the relevant acts.

Art. 81. (1) The remuneration, received from the legal relations, or the act, caused conflict of interests, for the period, during which the conflict of interests has been hidden, shall be seized in favor of the state, or municipality.

(2) Where it has been established, that as a result of conflict of interests a person, occupying high public position, or a person, related to him/her, has received material benefit, its equivalence shall be seized in favor of the state, unless it is subject to seizure under other ground.

## **Chapter nine.**

### **COUNTERACTION TO CORRUPTION THROUGH DISCLOSURE OF ACTIONS OF PERSONS, OCCUPYING HIGH PUBLIC POSITIONS**

Art. 82. (1) The Commission shall perform activities for counteracting corruption through collecting, analyzing and checks of references and information for manifestation of corruption by persons, occupying high public positions.

(2) The activities under Para. 1 shall be performed by the bodies under Art. 16, Para. 2.

Art. 83. The bodies under Art. 16, Para. 2 shall perform the activities under Art. 82, by:

1. planning, organizing, directing, controlling and being responsible for the implementation of tasks, assigned to them by an order of the Commission Chairperson;

2. governing information funds;

3. clarifying received information in the Commission;
4. performing operative-search activity;
5. performing interaction with the other administrative units in the Commission;
6. performing interaction with the bodies of the state power and local self-government;
7. checking the signals under Art 47, Para. 1 and 2;
8. conducting checks, assigned by the prosecution under the Judiciary System Act;
9. fulfilling other functions, assigned by a Commission decision, or by an order of its

Chairperson.

Art. 84. (1) A body of appointment of the officials under Art. 16, Para. 2 shall be the Commission Chairperson.

(2) The grades of posts according to the functions performed, the possessed qualification and professional experience of the officials under Art. 16, Para. 2 shall be provided by the Rules under Art. 23.

Art. 85. (1) For officials under Art. 16, Para. 2 shall be appointed persons, who meet the requirements of Art. 10, Para. 1, the requirements for incompatibility under Art. 10, Para. 3, as well as:

1. they have not been charged as accused or are not accused of an intentional crime of a general nature;

2. they have no imposed disciplinary punishment; "dismissal";

3. they meet the general and specific requirements for occupying the position.

(2) The specific requirements for entering a civil service under this Chapter shall be provided by an Ordinance, adopted by the Commission.

(3) At positions, for which permit for access to classified information is required, persons, who have received the relevant permit shall be appointed.

(4) At the first appointment of an official under Art. 16, Para. 2, one-year test period shall start to run, starting from the date of occupying the position.

(5) The period under Para. 4 shall not run, where the official:

1. is in a legally established leave;

2. passes an initial professional preparation

Art. 86. The procedure for occurrence, change and termination of the civil legal relations of an official under Art. 16, Para. 2 shall be provided by the Rules under Art. 23.

Art. 87. (1) The officials under Art. 16, Para. 2 may not perform an activity, incompatible with their service.

(2) Incompatibility with the service is present:

1. in case of present circumstances under Art. 10, Para. 3;

2. where the officials under Art. 16, Para. 2 are in immediate hierarchical relation to leadership and control with a spouse, with person, with whom they are in factual cohabitate, relative in direct line, without limitations, in indirect line up to 4th level, including, or in laws up to 4th level including.

Art. 88. (1) The officials under Art. 16, Para. 2 shall be entitled to carry official weapon under terms and conditions, defined by an instruction, adopted by the Commission.

(2) The officials under Para. 1 may use weapon only where this is absolutely needed in case of armed attack or threat with firearms against them.

(3) While using weapons, the officials under Para. 1 shall be obliged to do everything possible to keep the life of the person, against whom it is pointed and not to threaten the life and health of other persons.

(4) Officials under Para. 1 shall stop using weapon immediately after achieving its legal aim.

(5) After using weapon, the officials under Para. 1 shall draw up a report.

Art. 89. (1) Officials under Art. 16, Para. 2 shall obligatorily pass an initial professional preparation in case that they have not passes such.

(2) The training, qualification and professional preparation of the officials under Art. 16, Para.

2 shall be performed under a procedure, defined by the Rules under Art. 23.

Art. 90. (1) The officials under Art. 16, Para. 2 shall be attested through an assessment of performance of the position.

(2) Attestation shall be performed under a system of criteria, through which the achievement of preliminary coordinated purposes, the rate of performance of the obligations and the professional competencies of the officials shall be assessed.

(3) The conditions and procedure for conducting the attestation shall be defined by the Rules under Art. 23.

Art. 91. The working time of the officials under Art. 16, Para. 2, as well as their right to rests and leaves shall be defined under Art. 82 – 84 of the State Agency for National Security Act.

Art. 92. Officials under Art. 16, Para. 2 shall be obliged to fulfill also out of the established working time the obligations, comprising from the activities if the Commission under this Chapter.

Art. 93. The gross monthly remuneration of the officials under Art. 16, Para. 2 shall consist of basic monthly remuneration and additional remunerations.

Art. 94. (1) Officials under Art. 16, Para. 2 shall receive basic monthly remuneration according to the occupied by them position in the meaning of § 1, p. 5 of the Additional Provisions.

(2) To the basic monthly remuneration of the officials under Art. 16, Para. 2, additional remuneration shall be paid in the amount, not smaller than the one, defined by Art. 72, Para. 1 of the State Agency for National Security Act.

Art. 95. (1) The officials under Art. 16, Para. 2 shall be paid sums and shall be provided with benefits under Art. 74, Para. 1 -4 and 6 of the State Agency for National Security Act.

(2) The amount of the sums and benefits under Para. 1 and the conditions and procedure for their provision shall be defined annually by an order of the Commission Chairperson.

Art. 96. The obligatory health and social insurance of the officials under Art. 16, Para. 2, using medical establishments, as well as rest basis, sanatorium and prophylaxis establishments shall be performed under Art. 77 of the State Agency for National Security Act.

Art. 97. The officials under Art. 16, Para. 2 shall obligatorily be insured against death, temporary disability or permanently lost or reduced ability to work as a result of an accident at the expense of the state budget.

Art. 98. For termination of the civil legal relations of the officials under Art. 16, Para. 2, the provision of Art. 110 – 116 of the State Agency for National Security Act shall apply.

Art. 99. The officials under Art. 16, Para. 2 shall be paid benefits, where for defining their type and amount, the provision of Art. 117 - 122 of the State Agency for National Security Act shall apply correspondingly.

Art. 100. For performing the powers, assigned to it by the act, the Commission shall create, support and use information funds.

Art. 101. (1) For the organization of the information activity, the Commission, the bodies for its governance and control as well as for using the information, the provisions of Art. 29 – 31 and Art. 34 – 36 of the State Agency for National Security Act shall apply correspondingly.

(2) While performing the control over the information activity, the rules for protection of the classified information shall apply.

Art. 102. (1) The operative-search activity shall have as its purpose:

1. preventing, detecting and counteracting violations and crimes, related to actions of corruption in the activity of the persons, occupying high public positions;

2. Acquiring references and information about actions or failure to act, which disclose actions of corruption and their provision to the relevant bodies of the judiciary, as well as to the investigating bodies;

3. preparation and keeping material evidence and their provision to the relevant judiciary bodies;

4. establishment of illegally acquired property.

(2) The operative-search activity shall be performed by the bodies under Art. 16, Para. 2 through voice and non-voice methods and means according to their competence under conditions and procedure, provided by this act and by an ordinance, adopted by the Commission.

(3) The operative-search actions shall be performed while observing and guaranteeing the dignity, rights and basic freedoms of citizens.

Art. 103. Grounds for performing operative-search activity shall be:

1. received data about persons, occupying high public positions, who prepare, perform or have already performed actions of corruption, which are not sufficient for formation, or starting penal proceedings;

2. received data about events or actions, creating threat for corruption, in which persons, occupying high public positions have participated;

3. a request of the pretrial bodies and of the court;

4. fulfillment of international agreements to which the Republic of Bulgaria is a party.

Art. 104. (1) Operative-search activity shall be performed through:

1. making references on the information funds about persons, occupying high public positions;

2. identification of persons and sites;

3. operative check of the collected data and their documentation;

4. performing cross-checks on documents;

5. taking explanations from citizens.

(2) Operative-search activity shall be performed through specific methods and means under a procedure, defined by an instruction, adopted by the Commission.

(3) The Commission shall extend a request for using special intelligence means under conditions and procedure, defined by the Special Intelligence Devices Act.

Art. 105. The material evidence, prepared and collected in the process of the operative-search activity, shall be provided to the relevant bodies of the judiciary under conditions and procedure, provided by the law.

Art. 106. (1) The operative-search activity shall finish with a report by the Director under Art. 16, Para. 2 to the Commission on the performed activities for counteracting corruption on the basis of the collected, analyzed and checked information in, or in connection to received information about actions of corruption by persons, occupying high public positions.

(2) On the basis of the report under Para. 1, the Commission shall adopt a decision for:

1. operative interaction with the prosecution and the investigation bodies;

2. starting checkup for establishing of illegally acquired property under Chapter Ten, where incompatibility has been found in the amount of not smaller than BGN 20 000;

3. termination of the checkup.

## **Chapter ten.**

### **ESTABLISHING ILLEGALLY ACQUIRED PROPERTY**

Art. 107. (1) The Commission shall form a procedure for attachment of illegally acquired property, where it is possible to be made reasonable assumption, that certain property has been illegally acquired.

(2) The reasonable assumption shall be available, where after a checkup, substantial incompatibility is established in the property of the checked person.

Art. 108. (1) The checkup under Art. 107, Para.2 shall begin with an act of the Director of the relevant Territorial directorate, where a person has been accused for a crime under:

1. Art. 108a, Para. 1 - 3 and Art. 109, Para. 3;

2. Art. 116, Para. 1, p. 7 and 10;

3. Art. 142;
4. Art. 155, 156, Art. 158a, Para. 2 and Art. 159, Para. 5;
5. Art. 159a – 159d;
6. Art. 196a;
7. Art. 199;
8. Art. 201 - 203;
9. Art 208, Para. 3, 4 and 5;
10. Art. 209, Para. 1 and 2, Art. 210, 211, Art. 212, Para. 3, 4 and 5 and Art. 212a;
11. Art. 213a - 214;
12. Art. 215, Para. 2, p. 1 and 3;
13. Art 219, Para. 3 and 4, Art. 220, Para. 2 and Art. 225c, Para. 1 and 2;
14. Art 227c, Para. 2;
15. Art. 233, Para. 1 and 2, Art. 234, Para. 2, Art. 234a, 234b and Art. 235, Para. 3 - 5;
16. Art. 242 and 242a;
17. Art. 243 - 246, Art. 248a, Para. 5 and Art. 249 - 252;
18. Art 253, Art. 253a, Para. 1 and 2, Art. 253b, Art. 254b, Para. 2, Art. 255 - 256, Art. 259 and Art. 260, Para. 1;
19. Art. 280;
20. Arts. 282, 283 and 283a;
21. Art. 301 – 305a, Art. 307c and 307d;
22. Art. 308, Para. 2 and 3 and Art. 310, Para. 1;
23. Art 321, Para. 1 - 3 and 6, Art. 321a, Para. 1 and 2 and Art. 327, Para. 1 - 3;
24. Art. 337, Para. 1 - 4, Art. 339, Para. 2 and Art. 346, Para. 2, p. 4, Para. 3 and 6;
25. Art 354a, Para. 1, 2 and 4, Art. 354b, Para. 4 - 6 and Art. 354c, Para. 1 - 3 of the Penal Code.

(2) The checkup shall begin also where a person has not been accused for a crime under Para. 1, because of the fact, that formation of penal proceeding has been refused, or the formed penal proceeding has been terminated, because of:

1. amnesty followed;
2. the statutory limitation has expired;
3. after perpetrating the crime the perpetrator has fallen in a continuous disorder of consciousness that excludes indulgence;
4. the perpetrator has died;
5. in relation to the person transfer of the penal procedure has been admitted in another state.

(3) The checkup shall also begin where the penal proceeding for a crime under Para. 1 has been stopped and the person cannot be accused, because of:

1. after perpetrating the crime, he/she has fallen in a short-lived consciousness disorder that excludes indulgence or other serious illness;
2. has immunity;
3. is with an unknown address and cannot be found.

(4) The check under this Chapter shall begin and continue notwithstanding of the stopping or termination of the penal proceedings.

(5) The check shall begin also in established incompliance in the amount of not smaller than BGN 20 000 in the cases of Art. 46, Para. 4 and 5 and Art. 106, Para. 2, p. 2, as well as in established enforced act of conflict of interests.

(6) The check shall also begin in case of failure of submission in term a declaration under Art. 35, Para. 1, p. 2 or 4, unless the failure of submission is due to reasons, for which the person is not responsible.

Art. 109. (1) The check under Art. 107, Para. 2 shall begin on the basis of a notification by the



administrative penal body, where there is an administrative violation, established by an enforced act, which is of a nature to create benefit at the value above BGN 50 000 at the moment of its acquiring and it cannot be seized in another procedure.

(2) The notification under Para. 1 shall contain information about:

1. the person, who has been imposed an administrative punishment with an enforced act;
2. the administrative violation;
3. the property of the person, if there is data about it.

Art. 110. (1) The check in the cases under Art. 108, Para. 1 – 3 shall begin with an act of the Director of the relevant territorial Directorate on the basis of a notification by the prosecutor, observing of the pre-trial procedure or the file, to the Director of the relevant territorial Directorate.

(2) With the notification under Para. 1, a copy of the accusation decree shall be sent, and in case of drawing up accusation act – a copy of it as well. The notification under Para. 1 shall contain information about:

1. the person, about whom the relevant ground under Art. 108, Para. 1 – 3 is present;
2. the crime, for which the person has been accused;
3. the property of the person, if there is data about it.

(3) The Ministry of Justice shall notify the Commission about each case of a formed penal proceeding in another state, or about an enforced verdict of a foreign court against a Bulgarian citizen for crimes, relevant to the ones, indicated in Art. 108, Para. 1.

(4) The Supreme cassation prosecution and the Ministry of Justice shall notify the Commission in a transfer of a penal procedure.

Art. 111. Check under Art. 107, Para. 2 shall also begin where pursuant to the Bulgarian legislation there is a recognized act of a foreign court for some of the crimes under Art. 108, Para. 1 or for administrative violation under Art. 109, Para. 1.

Art. 112. (1) The check under Art. 107, Para. 2 shall continue up to 1 year.

(2) The Commission may once extend the term under Para. 1 up to 6 months.

(3) The check shall cover a period of 10 years back as from the date of its starting.

Art. 113. On the basis of the results from the check, within one-month term from its finalization, the Director of the relevant territorial Directorate shall draw up a grounded report to the Commission with a conclusion about:

1. extension of the check term;
2. termination of the check;
3. formation of a proceeding for attachment of the illegally acquired property.

### **Chapter eleven.**

#### **POWERS OF THE COMMISSION BODIES WHILE PERFORMING CHECKUP IN RELATION TO ESTABLISHMENT OF ILLEGALLY ACQUIRED PROPERTY**

Art. 114. (1) For the checked period under Art. 112, Para. 3, the bodies under Art. 16, Para. 1 shall collect information about:

1. the property, its location, value and legal reason for its acquiring;
2. the market value of the property at the moment of acquiring;
3. the market value of the property at the moment of the checkup;
4. reformation of the property;
5. the incomes and costs for a usual activity and extra incomes and costs of the legal person;
6. the usual and extra incomes and costs for maintenance of the natural person and his/her family members;
7. the paid public-legal cash obligations to the state and municipalities;
8. deals with the property of the legal person;

9. the deals with the property of the checked person and of his/her family members;
10. trips abroad of the checked person and of his/her family members, as well as of the persons, who represent the legal person;
11. collateral and burdens, imposed over the property, as well as the undertaken obligations;
12. other circumstances, which are relevant for clarifying the origin of the property, the way of its acquiring and of its reformation.

(2) While performing the checkup under Art. 107, Para. 2, the bodies under Art. 16, Para. 1 shall have the right:

1. to provide possibility for explanations and objection by the checked person and related persons;

2. to require information.

Art. 115. (1) The Commission and the Directors of the territorial Directorates may request from the court disclosure of the bank secret, trade secret under Art. 35, Para. 1 of the Markets of Financial Instruments Act and information under Art. 133, Para. 2 of the Public Offering of Securities Act, where this is necessary for achieving the objective of the act.

(2) The Commission and Directors of the territorial Directorates may request from the insurers disclosure of the insurance secret for the checked persons.

(3) The Commission and Directors of the territorial Directorates may request from the National statistical institute provision of information about the annual reports of the legal persons, which is statistical secret.

(4) Commission and Directors of the territorial Directorates may receive information from the electronic data base of the Central Credit Register and the Register of the Bank Accounts and Safes.

(5) Commission and Directors of the territorial Directorates may extend a request to bodies of revenues for provision of tax and security information about the checked persons.

## **Chapter twelve.**

### **SECURING MEASURES AND ATTACHMENT IN FAVOR OF THE STATE OF ILLEGALLY ACQUIRED PROPERTY**

#### **Section I.**

#### **Securing measures**

Art. 116. (1) The Commission shall adopt a decision for introduction to the court a request for securing a future claim for attachment of property on the basis of a report by the Director of the relevant territorial Directorate, where from the check sufficient data are collected, from which a grounded assumption may be made, that the property has been acquired illegally.

(2) The decision under Para. 1 shall indicate the imposed by the moment burdens and collateral on the property.

(3) The Commission shall introduce a request for collateral of a future claim for attachment of illegally acquired property to the District court upon the permanent address of the person, of under the legal person's central office. Where in the property immovable property is included, the request shall be introduced to the District court upon the location of the property, and where in the property there are several immovable properties – to the District court upon location of the property of the highest tax value.

(4) The Commission shall not be able to require imposition of collateral measures over the property of a natural person, who is not a subject to compulsory fulfillment under Art. 444 of the Civil Procedure Code, as well as over cash means of a legal person and of a sole trader, intended for payment of labor remunerations and security contributions of the staff, only if they are accounted in a separate analytical accounting account.

(5) Where there are no sufficient data, from which a grounded assumption may be made, that the property has been illegally acquired, the Commission shall adopt a decision for refusal for formation of a proceeding under this act and termination of the check, or shall adopt a decision for returning the file for collecting additional data.

Art. 117. (1) The court shall rule immediately with a determination, by which admits or refuses imposition of a collateral measure.

(2) Collateral of the claim shall be admitted, where:

1. without it would be impossible or performing of the right will be made difficult on the decision for attachment of the property, and

2. the request has been supported with sufficient evidences, on the basis of which a grounded assumption may be made, that the person possesses or controls illegally acquired property.

(3) The ruling, by which imposition of a collateral measure is admitted, shall be subject to immediate fulfillment.

(4) The ruling of the court on collateral of the claim may be appealed by a private complaint within 7-day term. For the petitioner the term shall run from the date of servicing the ruling, and for the defendant on the collateral - from the date of service of the notice of the precautionary measure imposed by the enforcement agent, by the registry service or by the court.

(5) Upon request of the Commission on the basis of the court ruling, separate precautionary orders shall be issued for the movable items and for the real estates, in view to the local competence of the enforcement agent.

Art. 118. (1) The court may impose precautionary measures under Art. 397, Para. 1 of the Civil Procedure Code.

(2) The precautionary measures shall also cover the interests, as well as other civil benefits form the property, over which they have been imposed.

(3) The court may admit several types of precautionary measures to the amount of the claim price.

(4) Upon request of the Commission, or the Director of the relevant territorial Directorate, the court may rule sealing a premise, equipment and vehicles where there exists danger of scattering, destroying, hiding or disposing of the property stored therein.

Art. 119. (1) After the enforcement of the ruling for imposing precautious measures on the basis of a grounded request of the interested person or upon request of the Commission, the court may permit payment or of other disposal actions with the property, over which precautious measures have been imposed in the cases of an urgent need.

(2) The court shall pronounce immediately with a ruling, which shall be subject to appeal.

(3) Deletion of a prohibition, lifting the attachment, as well as repeal of the other precautious measures shall be performed on the basis of an enforced ruling of the court.

Art. 120. (1) The precautious measures shall be fulfilled upon assignment of the Commission, of the relevant registry judge and of the bailiffs, according to the local competence, provided by Art. 427, Para. 1 of the Civil Procedure Code.

(2) Entry of a prohibition and imposition of attachment shall be performed immediately.

(3) For the actions on fulfillment of precautious measures, state charges shall not be collected.

Art. 121. (1) Imposing prohibition over a real estate shall be performed upon request of the bodies under Art. 16, Para. 1 through entry of the precautious order of the court upon an order of the relevant registry judge.

(2) The registry judge shall send a notice to the owner of the property; over which prohibition has been imposed – about the registry made.

(3) A special pledge on a commercial enterprise, in which the property is included under Para. 1, entered after the prohibition, may not oppose the state.

Art. 122. (1) Suspension over a movable item shall be imposed immediately upon a request of

the bodies under Art. 16, Para. 1 with sending a notice by the bailiff to the defendant on the collateral.

(2) The suspension shall be considered imposed from receiving the suspension notice.

(3) Upon request of the bodies under Art. 16, Para. 1, the bailiff shall make an inventory, evaluation and sending the item for storage by the defendant of the collateral or to a third person, or shall seize the item and shall send it for storage by the bodies under Art. 16, Para. 1. A suspension sign (a sticker) may be placed on the item.

(4) Where the items are ownership of a trade company, the bailiff shall send a notice for entry of the suspension in the Central register of the special pledges.

Art. 123. (1) In case of attachment of a ship of another sailing means, the bailiff shall send a notice to the Maritime Administration Executive Agency for entry of the attachment in the relevant registers.

(2) In case of attachment of a vehicle, a notice shall be sent to the Ministry of Interior bodies.

(3) In case of attachment of a civil aircraft, the bailiff shall send a notice to the Civil Aviation Administration General Directorate for entry in the register of civil aviation aircrafts.

(4) In case of attachment of an agriculture, or forest equipment, subject to registration under the Act on Registration and Control of Agricultural and Forestry Machinery, the bailiff shall send a notice to the relevant Agriculture Regional Directorate.

Art. 124. (1) The attachment under Art. 123 shall be considered as imposed from the date of receiving the attachment notice from the bodies, responsible for the relevant registers.

(2) The defendant of the collateral a notice shall be sent about the imposed attachment after servicing the attachment notice of the official at the relevant register.

(3) No change of the registration shall be admitted to the indicated in Art. 123 means and equipment before lifting the attachment.

(4) The bailiff may request from the Ministry of Interior bodies stopping from movement for the term up to 3 months of a vehicle, over which attachment has been imposed.

Art. 125. (1) Attachment over receivables, which the defendant of the collateral has from a natural or legal person, shall be imposed by the bailiff with sending an attachment notice to the third obliged person and to the bank, in which the third obliged person has accounts.

(2) The attachment shall be considered imposed from the date and time of receiving the attachment notice of the third obliged person, or of the bank, in which the person has open bank accounts.

(3) To the defendant on the collateral a notice shall be sent about the imposed precautionous attachment after servicing the attachment notice to the third obliged person.

(4) Where the receivable to be seized has been guaranteed by a pledge, the person, who owes the item to be seized shall be ordered to give it to the bailiff, who shall produce it for storage to a person, indicted by the body under Art. 16, Para. 1.

(5) Where the receivable to be seized has been guaranteed by a mortgage, the attachment shall be noted in the relevant book in the Registry office.

(6) Where for the receivables under Para. 1 there is a writ of execution, the bailiff shall seize it from the person, who keeps it and shall give it for keeping with a protocol to the body under Art. 16, Para. 1.

(7) Limitation period for the receivable shall not run from the moment of receiving the attachment notice by the third obliged person.

Art. 126. (1) In the cases under Art. 125, Para. 2 the bodies under Art. 16, Para. 1 shall have the right to require collecting of the receivable to be assigned to the Commission and to form an independent executive case against the person – debtor under the writ of execution.

(2) The collected sums on the executive case shall be transferred by the bailiff to an account of the Commission.

Art. 127. (1) Imposing attachment over cash means in a national or foreign currency shall be

made through their inventory, seizing and transfer to a special bank account of the Commission. With re-calculation of the foreign currency exchange rate, the exchange rate of the BNB shall be applied for the relevant currency on the date of the inventory.

(2) Imposing attachment over all types of bank accounts of the defendant on the collateral in a national or foreign currency shall be performed with sending the attachment notice to the bank.

(3) Attachment may also be imposed over all kinds of Art.s, embedded in vaults or in cassettes, as well as over sums, provided for trustee management by the defendant on the collateral.

(4) The attachment under Para. 2 and 3 shall be considered imposed from the moment of receiving the attachment notice by the bank. Notice for the imposed attachment to the defendant on the collateral shall be sent after receiving the notice by the bank.

(5) The handler shall record the time and date of receiving. When the notice is sent via the post, the relevant official shall note the time and date of receiving.

Art. 128. (1) Imposing attachment over available securities shall be made via an inventory on their nominal value and their attachment by the bailiff.

(2) With imposing an attachment over available registered assets or bonds, the bailiff shall notify the commercial company. The attachment shall be enforced for the trade company from receiving the attachment notice.

(3) The bailiff shall send the available securities for storage in a bank, about which a protocol shall be drawn up.

Art. 129. (1) Imposing attachment over dematerialized securities and shares of collective investment schemes shall be made by sending an attachment notice to the Central Depository, where at the same time the issuer and the managing company shall be notified.

(2) The attachment shall have force from the moment of handing the attachment notice to the Central Depository.

(3) The Central Depository shall immediately notify the relevant regulated market about the imposed attachment.

(4) The Central Depository shall be obliged within 3-day term from receiving the attachment notice to provide to the bailiff information about the possessed securities by the defendant on the collateral and about the imposed attachments on other claims. The bailiff shall notify the bodies under Art. 16, Para. 1 about the received information.

Art. 130. (1) Imposing attachment over state securities shall be made by sending an attachment notice to the person, who keeps the register of state securities.

(2) The attachment shall be considered imposed from the date of receiving the attachment notice by the person, who keeps the register of the state securities.

(3) The person, who keeps the register of the state securities shall be obliged within 3- day term from receiving the attachment notice to provide to the bailiff information about the possessed securities by the defendant on the collateral and about the imposed attachments on other claims. The bailiff shall notify the bodies under Art. 16, Para. 1 about the received information.

Art. 131. (1) The attachment over securities shall cover all property rights on the securities.

(2) Disposal with securities after receiving the attachment notice shall not have force in ration to the state.

Art. 132. (1) Attachment over a share of a commercial company shall be imposed by sending an attachment notice by the bailiff to the Registry Agency.

(2) The attachment shall be entered under the procedure for registry of a collateral over a share of a commercial company and shall be considered imposed from its registry in the commercial register. The Registry Agency shall notify the commercial company about the registered attachment.

(3) The Registry Agency shall notify immediately the Commission in cases of received request for increasing the capital of a commercial company, about which there is an imposed precautionary measure of attachment over a share of a commercial company.

Art. 133. (1) Transfer of the right to ownership, establishment and transfer of property rights and establishment of real burdens on prohibited real estate, as well as disposition with the movable Art.s to be seized, securities, shares and receivables, made after the moment from which the prohibition or attachment are considered imposed, shall not have effect on the state.

(2) Applications for changed in the capital of commercial companies in relation to whose shares a precautionary measure has been imposed under Art. 132, Para. 1 shall not be considered by the expiry of the term under Art. 153, Para. 1.

Art. 134. (1) With starting of compulsory implementation under the Civil Procedure Code, the Tax-insurance Procedure Code and the Special Pledges Act over property and receivables, over which precautionary measures have been imposed under this act, the implementing body shall immediately notify the Commission and shall send a copy of the act, on the basis of which the implementation is performed. The Commission may require from the court withdrawal of the precautionary measures and their replacement with another equal collateral.

(2) Property and receivables over which precautionary measures have been imposed, or against which compulsory implementation has been initiated under the Tax-insurance Procedure Code before imposing the collateral measures under this act, shall be performed by a public executor under the Tax-insurance Procedure Code by the enforcement of the judicial decision for attachment of the property in favor of the state. Before starting the compulsory implementation under the Tax-insurance Procedure Code, the public executor shall notify the Commission and shall send a copy of the act, on the basis of which the implementation I performed. The Commission may require from the court withdrawal of the precautionary measures or their replacement with another equal collateral.

Art. 135. For issues, unsettled under this Section, the provision of the Civil Procedure Code shall apply.

## **Section II.**

### **Actions after imposition of precautionary measures**

Art. 136. (1) After imposing precautionary measures, the bodies under Art. 16, Para. 1 shall invite the checked natural person to produce a written declaration for:

1. the possessed by him/her and by his/her family members real estates and motor vehicles, ships and aircrafts, restricted property rights over real estates, money deposits, securities, art works, movable cultural values, share participation in trade companies, receivables, patents, trademarks and production samples, as well as other property;

2. list of his/her and his/her family members' bank accounts in this country and abroad;

3. the sources of funds and the reasons for acquiring the property and for maintenance of his/her family;

4. deals with real estate, movable Art.s, shares and assets in trade companies, transfer of an enterprise or other trade or legal deals with property of the person and of his/her family during the checked period, as well as the sources of funds for their performing;

5. the obligations to third persons;

6. other circumstances, related to the property of the checked person.

(2) The indicated circumstances under Para. 1 should be supported with documents.

(3) Where the checked person has died, his/her heirs and covenants who have accepted the inheritance, shall be invited to produce the declaration under Para. 1. Where the inheritance has not been accepted, the bodies under Art. 16, Para. 1 shall extend a request under Art 51 of the Inheritance Act

(4) The person shall produce the declaration within the term of 14 days from receiving the notice, and if he/she is abroad – within the term of 1 month.

(5) The form of the declaration shall be confirmed by a Commission decision and shall be published in the State Gazette.

Art. 137. The bodies under Art. 16, Para. 1 shall invite to produce a declaration also:

1. the persons under Art. 143, 144 and 145;
2. the persons, who represent, manage or control the legal person under Art. 145, Para. 1.

Art. 138. (1) After imposing the precautions measures, the Commission shall provide to the checked person possibility for participation in the procedure.

(2) The bodies under Art. 16, Para. 1 shall notify the checked person, provide to him/her to get acquainted with all the materials, collected during the run of the formed check against the person and shall give him one-month term in order to make objections and produce evidences.

(3) The legal persons shall be represented before the Commission by the persons, who represent them under the law and according to their procedural rights. Where there is no rule for the representation, the legal person shall be represented by 2 members of his management.

(4) In the procedure before the Commission, the checked person may be represented by a lawyer, or by another person, under the Civil Procedure Code with a written power of attorney.

(5) The given explanations by the checked person and the submitted declarations under Art. 136 and 137 shall not be a ground for initiating a penal prosecution against persons, nor they are evidence in support of an accusation.

Art. 139. No conclusions may be drawn in harm of the checked person and of his/her family members in case of refusal to produce a declaration.

Art. 140. (1) After discussion of the objections of the checked person and the collection of the indicated by him/her evidences, the Director of the relevant territorial Directorate shall introduce to the Commission a grounded report within one-month term. The report shall indicate:

1. the kind and value of the acquired property;
2. availability or lack of substantial incompliance in the property of the checked person;
3. evidences for knowing or assumption of the third persons, that the property has been illegally acquired;
4. the evidences about availability of lack of burdens or other collateral, imposed over the property;
5. other evidences, on which the request is based;
6. final conclusion.

(2) The Commission, within 1-month term form the introduction of the report under Para. 1, shall adopt a decision for:

1. termination of the procedure on the file, if the collected evidences do not establish, or cannot make a grounded assumption, that the property has been illegally acquired, where the Commission may refer the National Revenue Agency Executive Director;
2. claim for attachment of the illegally acquired property in favor of the state.

### **Section III. Subject of attachment**

Art. 141. Pursuant to this act, illegally acquired property shall be seized in favor of the state.

Art. 142. (1) Where it is not possible to seize property under Art. 141, its cash equivalence shall be seized, defined on the market price at the moment of the claim for seizure.

(2) The property under Art. 141 shall include:

1. the personal property of the checked person;
2. property, acquired in total by the two spouses, or by the persons in factual cohabitate;
3. the property of the underage children, and
4. the property of the spouse of the checked person, notwithstanding of the chosen by the spouse's regime of property relations;
5. the property of the person with whom the checked person is in factual cohabitate.

Art. 143. The deals, carried out with illegally acquired property shall be unreal in relation to the state and the received from them shall be subject to seizure, where they are:

1. free deals with physical or legal persons;
2. forfeited deals with third persons, if they have known, or could have assumed, that the property has been illegally acquired, or have acquired the property in view to covering its illegal origin or of the real rights related to it.

Art. 144. To seizure shall also be subject illegally acquired, which the person has transferred during the check period to a spouse, to a person, with whom he/she is in factual cohabitate, to an ex-spouse, to relative in direct line without limitation in the levels, to relatives in indirect line – up to 4th level, including and to in-laws to second level including.

Art. 145. (1) To seizure shall be subject a property, which the checked person has transferred or has deposited as non-cash, or cash deposit in the capital of a legal person, if the persons, who manage or control the legal person, have known, or from the circumstances could have assumed, that the property has been illegally acquired.

(2) To seizure shall also be subject illegally acquired property form a legal person, who is controlled by the checked person, or the related to him/her persons, individually, or jointly.

(3) The property shall also be seized after succession of the legal person.

Art. 146. To seizure shall also be subject property, which has been acquired by a third person at the expense of the checked person, in order that its seizure is avoided, or its origin is hidden, or the real rights over it.

Art. 147. Until the contrary is proved, as movable Art.s and cash funds of the checked person shall also be considered those, found in him/her, in his/her home, or in other owned or rented by him premises, vehicles, cashes or safes.

Art. 148. (1) The illegally acquired property shall be evaluated on its real value at the moment of its acquisition or expropriation.

(2) The property shall be evaluated at the moment of its acquisition or expropriation, as follows:

1. the real estate and the restricted property right on them – in the market value;
2. the foreign currency and the valuable metals – in the central rate of the BNB;
3. securities – in the market value;
4. vehicles – in the market value;
5. the other movable Art.s and rights – in the market value;
6. enterprises, or share participations in trade companies or cooperatives – in the market value, and where it cannot be defined – in the accountancy data.

Art. 149. In the cases, where illegally acquired property has been partially or thoroughly reformed in other property, the reformed property shall be subject to seizure.

Art. 150. Illegally acquired property shall also be seized from heirs, or legatees up to the amount received by them.

Art. 151. In case that the property is missing or has been expropriated, its cash equivalence shall be seized.

Art. 152. (1) The rights of the state under this act shall expire by the expiration of a 10-year statute of limitations

(2) The limitation shall start to run from the date of acquiring the property.

(3) Limitation shall not run, during the proceedings under Section IV.

#### **Section IV.**

#### **Proceedings before the court for seizure in favor of the state of illegally acquired property**

Art. 153. (1) The Commission shall claim seizure in favor of the state of illegally acquired



property before the District court in the region, in which is the permanent address of the checked person, within the term of 3 months from the last act on imposition of precautionary measures.

(2) Where in the property a real estate has been included, the claim shall be in the District court of the location of the property, and in the cases, where the property contains more than 1 real estate – on the location of the property with the highest tax value.

(3) The claim application and the enforced judicial decision shall be subject to entry in the property register of the Registry Agency.

(4) The court shall repeal officially or upon a request of the interested persons, the imposed on the property precautionary measure, if the Commission fails to produce evidences, that it has claimed within the legal term.

(5) The judicial procedure shall start and continue notwithstanding of the termination of the penal proceeding.

Art. 154. (1) Against the checked person and the persons under Art. 143, 144, 145, 146 and 150, conviction claim shall be submitted for seizure of the illegally acquired property in favor of the state.

(2) The Commission shall claim against third persons for establishment of the circumstance, that the property has been illegally acquired and for declaring the legal deals void.

(3) With submission of the claim application, the Commission shall pay state fee.

Art. 155. (1) The District court shall form a case and shall publish in the State Gazette a notice, containing: the case number; data about the received request; inventory of the property, instruction for the term, in which the interested persons may claim over the property, as well as the date, on which the first session is appointed, which shall not be earlier than 3 months from publication of the notice.

(2) As defendants in the proceeding, the checked person and the persons, indicated in Art. 143, 144, 145, 146 and 150 shall be constituted.

Art. 156. (1) The court sitting shall be in an open court session.

(2) The Commission shall be represented by the Chairperson or by an official holding legal capacity, authorized by it.

(3) In the proceeding all evidences shall be presented, admissible pursuant to the Civil Procedure Code.

(4) In the proceeding before the court, the Commission shall produce evidences about:

1. the type and value of the acquired property during the checked period;

2. the circumstances under Art. 108, 109 and 111;

3. existence of substantial incompliance in the property of the checked person;

4. the circumstances, that the third persons have known or could assume that the property has been illegally acquired;

5. other circumstances, which are significant for clarifying the origin of the property and the way of its acquiring;

6. existence of burdens and collateral over the property, apart from those, imposed under this act.

(5) Where it is required the evidence to be made by a written document, no conclusions may be made in harm of the defendant, if it is proved that the document is lost or destroyed not because of guilt of the party.

(6) Where a defendant on the relevant claim presents before the court evidences, which he/she could present with the declarations under Art. 136 and 137, and they have not been collected because of reasons which are beyond the control of the Commission, the court may assign totally or partially the costs on the case, notwithstanding of the case outcome.

Art. 157. (1) After finalization of the examination of the case, the court shall rule with a judgement, which shall be subject to appeal under the general procedure.

(2) With the judgement, the court shall rule payment of a state fee and the case costs, depending

on the case outcome.

Art. 158. (1) In the proceeding under this act, the parties may sign an agreement, by which seizure of not less than 75% of the property shall be seized, or its cash equivalence.

(2) The agreement shall be approved by the court, if it does not contradict the law and the good morals.

(3) The agreement shall have the effect of an enforceable judgement from the day of its approval and shall not be liable to be spoiled

(4) The state fee for the proceeding shall be defined over the sum, for which the agreement has been reached and shall be paid by the parties equally.

(5) The costs on the proceeding shall be paid by the parties, as they have been made.

Art. 159. For unsettled issues under this Section, the provisions of the Civil Procedure Code shall apply.

### **Chapter thirteen.**

## **MANAGEMENT OF PROPERTY, ON WHICH PRECAUTIOUS MEASURES HAVE BEEN IMPOSED. MANAGEMENT OF THE SEIZED PROPERTY**

### **Section I.**

#### **Management of collateral property**

Art. 160. (1) The property, over which collateral is imposed under this act, shall be managed and kept by the Commission.

(2) The property under Para. 1 may be left for keeping to the checked person, or to the person, who keeps the property at the moment of imposing the precautionary measures.

(3) Upon request of the Commission, the court shall appoint as keeper of the property another person, determining his remuneration.

(4) The remuneration shall be deposited by the Commission.

(5) The keeper shall be selected in view to his personality, as well as to the nature of the Art. and of the place, where it is located, or stored.

(6) The Art. shall be sent for keeping against a signature.

Art. 161. (1) Apart from the obligations under Art. 469 and 471 of the Civil Procedure Code, the person under Art. 160 shall be obliged to notify the Commission:

1. about all the damages of the property;

2. about all productions, referring to the property;

3. about all the actions, related to transfer or occurrence of rights of third persons over the property, by producing copies of the documents, establishing the transfer or establishing the rights;

4. for all the actions, related to change in the identification of the property;

5. in case of danger of destruction or damaging the property.

(2) The persons under Art. 160 shall be obliged to provide access for the bodies under Art. 16, Para. 1 for check of the property condition.

(3) The Commission may require from the bailiff to pass for keeping to another person the collateral property, if the checked person, or the person, who keeps the property at the moment of imposing the collateral fails to fulfill his/her obligations.

(4) The costs, related to keeping and maintaining the collateral property shall be paid by the Commission.

Art. 162. (1) The movable Art.s with historic value shall be provided for storage in the National historical museum, or in another museum.

(2) The movable Art.s of scientific value shall be provided for storage in the National library, in the relevant institute of the Bulgarian Academy of Science, or in a university.

(3) The movable Art.s of valuable metals, precious stones and items of them shall be provided for storage in the BNB.

(4) The movable Art.s of artistic, antique or numismatic value shall be provided for storage in the Ministry of Culture.

(5) Exotic animals and plants shall be provided to zoological gardens and other institutes.

(6) In the cases under Para. 1 – 5, the storage costs and maintenance of the collateral property shall be paid by the Commission.

Art. 163. (1) Upon exception, the Commission may request from the court a perdition for the sale of the movable Art.s, which:

1. may lose substantially their value during the storage period and their keeping is related to large costs;

2. are subject to quick damage.

(2) The movable Art.s under Para. 1 shall be sold by the bailiff at an open auction, which shall be held within 7-day term from receiving the request, or shall be left for sale by a trader in a shop, to a stock market, indicated by the Commission. The owner may participate in the auction in general.

(3) The transfer of the Art. shall be established by a protocol, signed by the bailiff or by the trader. For the performed sale, the trader shall receive a commission.

(4) In case documents are missing for performed sanitary control, as well as in lack of origin data, composition and term of validity, the sale shall be made after permit by the Safety Food Bulgarian Agency and the bodies of the regional health inspectorates at the Ministry of Health.

(5) Animals of the national Geno-fund, sort seeds and planting material with guaranteed origin shall be sold by the bailiff with permit by the Minister of Agriculture, Food and Forests, or by an official, authorized by him/her only to other agricultural producers.

(6) The bodies under Para. 4 and 5 shall pronounce on the request within 3-day term form its receiving.

(7) Where a person, who keeps the Art., refused to give it to the buyer, it shall be seized by the police upon request of the Commission, and shall be sent to the buyer.

(8) Within 7 -day term after sending the Art. to the buyer, the Commission shall send an application to the court for change of the collateral.

Art. 164. (1) The sums, collected form the property, sold under Art. 163, shall be transferred by the bailiff in a special bank account of the Commission.

(2) In case that the clam for seizure of the Commission has not been approved, the collected sums form the property, sold under Art. 163, Para. 2 shall be transferred by the Commission to an account of the person, from whom the property has been seized.

## **Section II.**

### **Management of the seized property**

Art. 165. (1) An Inter-institutional council for management of the seized property shall be stablished called hereinafter "the Council".

(2) The Council is a collective body, which shall consist of Deputy Ministers, determined by the Minister of Justice, Minister of Finance, the Minister of Economy, the Minister of Labor and Social Policy and the Minister of Regional Development and Public Works.

(3) Chairperson of the Council shall be a Deputy Minister of Finance.

(4) The Council activity shall be provided technically by the administration of the Ministry of Finance.

Art. 166. (1) The Commission shall notify the Council monthly about the enforced court judgements on seizure in favor of the state illegally acquired property.

(2) The Commission shall immediately provide the enforced judgements for entry in the

relevant entry office – for real estate, and for the motor vehicles – to the relevant structural units of the Ministry of Interior.

(3) The enforced judgements for seizure, the issued on their basis executive sheets and all other documents, needed for implementation of the judgement for seizure shall be sent by the Commission to the Council within 3-day term from completion of the file.

(4) For the Council meetings, the Commission shall draw up a separate report on every concrete case.

Art. 167. (1) The Council shall propose to the Council of Ministers to provide for management to budget organizations and municipalities for implementation of their function the seized property under this act, or to assign its sale.

(2) The Council shall meet at least once every two months and shall adopt decision with an ordinary majority.

(3) To the Council meetings, representatives of the National Municipality association in the Republic of Bulgaria, of non-profitable organizations and professional organizations may be invited.

(4) The Council shall confirm Rules of Procedure for the organization of its activity.

Art. 168. (1) The property, for which a decision for sale has been made, shall be sold by the National Revenue Agency under the Tax-insurance Procedure Code.

(2) The Council shall send to the National Revenue Agency the decision under Para. 1 for implementation within 7-day term from its adoption, with the completed file under Art. 166, Para. 3.

(3) If after exhausting the ways for sale under the Tax-insurance Procedure Code the property is not sold, the National Revenue Agency shall notify in writing the Council, returning the file for taking a follow-up decision for management and disposition of the property.

(4) In the cases, where the property is provided for management, the relevant budget organization or municipality shall recover to the National Revenue Agency the costs, related to management, storage and organization of the sale of this property.

(5) At least 30% of the value of the seized property in favor of the state shall be used for social purposes, where the conditions and procedure shall be determined by a Council of Ministers act.

## **Chapter fourteen. ELECTRONIC REGISTERS**

Art. 169. (1) The Commission shall keep and maintain the following electronic public registers:

1. for the declarations of the persons, occupying public positions;
2. for the enforced decisions for finding conflict of interests;
3. for the drawn-up acts for finding administrative violations and for the enforced penal decrees.

(2) The Commission shall also keep other registers, needed for its activity.

Art. 170. (1) The Commission shall keep an electronic register for the collateral property, which shall contain information about:

1. the person, against whom proceeding has been formed;
2. the property, on which collateral has been imposed;
3. data about the owner and the person, who keeps the property at the moment of imposing the collateral, as well as about the keeper of the relevant property;
4. other data, which are needed for individualization of the property, on which collateral has been imposed.

(2) The disposal with the properties or their burden, or undertaking whatever obligations on behalf of the checked person, which would lead to difficulties for satisfaction of the rights on the judgement for seizure of illegally acquired property in favor of the state, shall not have effect in relation to the state.

(3) The Commission shall issue certificates for existence of collateral measures, imposed under this act, within 7- day term form receiving of a request by the court, the bailiffs, the National Revenue Agency bodies and by other state bodies.

(4) The forms of registers shall be confirmed by an order of the Commission Chairperson.

### **Chapter fifteen.** **ADMINISTRATIVE – PENAL PROVISIONS**

Art. 171. (1) Any person, occupying high public position, who violates a provision of Section II of Chapter Eight shall be punished by a fine in the amount of BGN 5 000 to 10 000.

(2) For the violation under Para. 1, the persons under § 2, Para. 1 shall be punished by a fine in the amount of BGN 1000 to 5000.

(3) Where the violation has been repeated, the fine shall be in the amount of BGN 10 000 to 20 000, and for the persons under § 2, Para. 1, the fine shall be from BGN 2000 to 10 000.

Art. 172. (1) Any person, having occupied high public position, who, after his/her dismissal violates a restriction, provided by Section IV of Chapter Eight, shall be punished by a fine of BGN 5000 to 15000.

(2) For the violation under Para. 1, the persons under § 2, Para. 1 shall be punished by a fine of BGN 2500 to 7500.

(3) Any sole trader or legal person, with whom the person under Art. 68, or 69 has signed contract, or who is represented or managed by a person under Art. 68, or 69, shall be punished by a property sanction in the amount of BGN 10 000 to 20 000.

(4) Where the violation has been repeated, the punishment shall be:

1. in the cases under Para. 1 – a fine of BGN 10 000 to 30 000;

2. in the cases under Para. 2 – a fine of BGN 7500 to 15 000;

3. in the cases under Para. 3 – a property sanction in the amount of BGN 20 000 to 50 000.

Art. 173. (1) Any person, occupying high public position, who fails to submit in the term a declaration under this act, shall be punished by a fine of BGN 1000 to 3000.

(2) For the violation under Para. 1, the persons under § 2, Para. 1 shall be punished by a fine of BGN 300 to 1000.

(3) Where the violation is repeated, the fine shall be from BGN 3500 to 6000, and for the persons under § 2, Par. 1, the fine shall be in the amount of BGN 1000 to 2000.

Art. 174. (1) Any person, occupying high public position, who fails to declare or declare an untrue circumstance, who is obliged to declare under this act, shall be punished by a fine of BGN 1000 to 3000, unless a heavier punishment is provided.

(2) For the violation under Para. 1, the persons under § 2, Para. 1 shall be punished by a fine of BGN 300 to 1000.

(3) Where the violation has been repeated, the fine shall be from BGN 3000 to 6000, and for the persons under § 2, Para. 1, the fine shall be from BGN 1000 to 2000.

Art. 175. (1) Any person, who within the set terms refuses assistance or fails to produce information and documents, requested by the Commission, including electronically, shall be punished by a fine of BGN 200 to 1000.

(2) Where the violation under Para. 1 has been repeated, the fine shall be from BGN 500 to 2000.

(3) A legal person, which within the set terms fails to provide information and documents within the set terms, requested by the Commission, shall be imposed by a property sanction from BGN 1000 to 5000.

(4) Where the violation under Para. 3 has been repeated, the property sanction shall be from

BGN 2000 to 20 000.

Art. 176. For violation of the obligations under Art. 49, Para. 1, the guilty official shall be imposed by a fine of BGN 5000 to 20 000, if the perpetrated violation is not a crime.

Art. 177. (1) The acts for establishing violations shall be drawn up by officials, determined by the Commission Chairperson, and the penal decrees shall be issued by the Commission Chairperson.

(2) The acts for establishing violations under Art. 173 and 174 on the incompatibility declarations, shall be drawn up by persons, selected by the election, or appointment body.

(3) Drawing up acts, issuance, appeal and implementation of the penal decrees shall be performed under the Administrative Violations and Penalties Act.

Art. 178. The fines and property sanctions shall be deposited in revenue of the state budget.

### **Additional provisions**

§ 1. In the meaning of this act:

1. "Sufficient data" are data, from which grounded assumption may be made for corruption or property incompatibility in the meaning of this act.

2. "Incomes, revenues and sources of financing" are: remuneration, received by a person under labor or civil legal relations, incomes from performed services with personal labor, incomes from exercising free lancing professions, the after-tax income from entrepreneur activity, dividends and interests, other incomes from movable and immovable ownership, for which acquiring a legal source has been established, incomes from agricultural activity and retail trade, other incomes from lottery and sport betting, interests, license and commission remunerations, revenues from sale of property, for which acquiring a legal source has been established, from insurance, from court cases, granted bank credits and loans from natural persons.

3. "Substantial incompatibility" is that amount of the incompatibility between the property and the net income, which exceeds BGN 150 000 for the whole checked period.

4. "Property" Is any type of ownership, material or non-material, movable or immovable, limited property rights, as well as legal documents, evidencing the right to ownership or other rights over it.

5. "Inspector" is an official, occupying the positions of inspector, senior inspector, chief inspector, special inspector or civil inspector.

6. "Controlling legal person" exists, where:

a) a natural person, directly or indirectly possesses more than 50% of the shares or of the capital of the legal person and directly or indirectly controls it;

b) a natural person is controlling in the meaning of § 1c of the Additional Provisions of the Commerce Act or exercises control in the meaning of § 1, p. 4 of the Additional Provision of the Tax-Insurance Procedure Code;

c) in favor of a natural person is managed or distributed 50%, or more of the property of a non-profitable legal person;

d) in favor of a group of natural persons a non-profitable legal person has been established.

7. "Incompatibility" is occupying another position or performing activity, which pursuant to the Constitution or the law is incompatible with the situation of the person, occupying high public position.

8. "Net incomes" are incomes, revenues or sources of financing decreased by the amount of the performed usual and extra costs by the checked person and his/her family members.

9. "Usual costs" are the costs for maintenance of the person and his/her family members according to the data of the National Statistical Institute.

10. "Body of election or appointment" is the body, which elects or appoints, and where there is not such a body – the employer in the meaning of § 1, p. 1 of the Additional Provisions of the Labor Code.

11. "Repeated" is the violation, perpetrated within 2-year term from the enforcement of the penal decree or the judgement of the court, by which the violator has been imposed by a punishment for the same violation in type.

12. "Reformation of the property" exists, where against a property right another property right is acquired, - completely or partially, unless where the acquired part is insignificant.

13. "Check of morality" is a check, which aims to establish, that the checked person fulfills his/her powers or obligations honestly and in good faith, while observing the Constitution and the law of the country and in the interest of citizens and society.

14. "Proportionality of interference in the personal and family life" is interference in such a level, which exceeds the needed for achieving this act purposes.

15. "Related persons" are:

a) spouses, or persons, who are in factual cohabitate, relatives on direct line, on indirect line – up to forth level including, and in-laws – up to second level, including; for the purposes of production for seizure of illegally acquired property for related person shall also be considered ex-spouse, the marriage with whom has been terminated up to 5 years before the beginning of the checkup of the Commission;

b) natural and legal persons, with whom the person, occupying public position is in economic or political dependence, which cause reasonable assumptions in his impartiality and objectivity.

16. "Permanent use" is using someone else's Art. for satisfaction of needs of the user or of certain persons, which is longer than 3 months in the frames of one calendar year.

17. "Factual separation" is a condition, in which the spouses do not live together and he no common household.

18. "Factual cohabitate" is voluntary cohabitate as spouses of 2 full age persons, in relation to whom there is no kinship, representing obstacle for marriage, which has been for more than 2 years and in which the persons take care for each other and for a common household.

19. "Family members" are a spouse, the person, with whom the checked person is in factual cohabitate and the underage children.

§ 2. (1) The provision of Chapters Five, Eight and Fifteen shall apply correspondingly to:

1. the employees in the administration of the President, in the administration of the bodies of the legislative power and the judiciary, of the Supreme Judicial Council, (SJC) of the Inspectorate of the SJC and of the National Justice Institute, in the administration of the bodies of the executive, including the territorial units, the employees in the local administration, in the administration of bodies, established by the law, with the exception of the employees, who occupy technical positions;

2. representative of the state, or the municipalities in the bodies of management and control of trade companies with state or municipal participation in the capital, or non-profitable legal persons, where they do not fall in the scope of Art. 6, Para. 1;

3. managers and members of the bodies of management and control of municipal or state undertakings and heads of their territorial units, as well as other legal persons, which are budgetary organization in the meaning of § 1, p. 5 of the Additional Provisions of the Public Finances Act, where they do not fall in the scope of Art. 6, Para. 1;

4. members of political cabinets outside those, indicated in Art. 6, Para. 1, advisers and experts at the political cabinets;

5. Mayors of municipalities, Mayor's deputies and the municipality secretaries;

6. notaries, registry judges and the state and private bailiffs.

(2) The persons under Para. 1 shall submit the declarations under Art. 35, Para. 1 within the terms of Art. 36, Para. 1 and Art. 38, Para. 1 and 2 before the body of election or appointment, with the exception of the Municipality Mayors, who shall submit declarations before the permanent commission of the relevant Municipal council.

(3) The body of election or appointment, with the exception of the bodies of appointment of

employees of the securities services, shall keep a public register of the submitted declaration while observing the requirements of the Personal Data Protection Act, where in relation to the declarations for property and interests, only the part of the interests under Art. 37, Para. 1, p. 12 – 14 shall be public.

(4) The security services shall keep registers for their employees with the data under Para. 2, which shall not be public.

(5) The checkup of the declarations, as well as the procedure for establishing conflict of interests shall be performed by the relevant inspectorate or by a commission of officials, explicitly assigned by the body of election or appointment to carry out these functions, and for the Municipality Mayors – by the permanent commission of the relevant municipal council.

(6) The organization and procedure for performing the check of the declarations, as well for finding conflict of interests shall be provided by a Council of Ministers Ordinance, and for the judiciary bodies, the SJC, the Inspectorate of the SJC and the National Justice Institute – by an Ordinance of the session of the SJC. The organization and procedure for performing the check of the declarations, as well for finding conflict of interests in relation to experts under Art. 55, Para. 2 of the Judiciary System Act, shall be provided by the rules under Art. 55, Para. 5 of the Judiciary System Act.

(7) Where during checkup of the declarations, incompliance in the amount of not less than BGN 5000 is found, the body of election or appointment shall refer the National Revenue Agency for undertaking actions under the Tax-insurance Procedure Code.

(8) Finding conflict of interests shall be performed by the body of election or appointment, where by the act for finding conflict of interest shall also be imposed administrative punishment, and for the Municipality Mayors – by the permanent commission of the relevant Municipal council. In these cases, no act shall be drawn up for establishing administrative violation and no penal decree shall be issued.

(9) The act under Apra. 7 may be disputed under the Administrative-procedure Code.

(10) The acts for establishing administrative violations under Art. 176 shall be drawn up by the body of election or appointment or by determined by it officials, and for the Municipality Mayors – by the Chairperson of the permanent commission of the relevant Municipal council. The penal decrees shall be issued by the body of election or appointment or by officials, determined by it, and for the City Halls Mayors – by the Municipality Mayor.

(11) Where in the checkup of the declarations of the procedure for finding conflict of interests, data are found for a committed crime, the body of election or appointment shall immediately refer the competent bodies for undertaking actions for penal prosecution.

### **Transitional and concluding provisions**

§ 3. This act shall repeal:

1. The Act on Seizure in Favor of the State of Illegally Acquired Property

(publ., SG, 38/2012; Decision N13 of the Constitutional Court of 2012. - N. 82/2012; amend., 102 and 103/2012, 15/2013; Decision N 2 of the Constitutional Court of 2013 - 50/2013; amend., 66/2013, 98/2014, 14, 22, 74 and 95/2015, 103/2016 and 58 and 91/2017);

2. The Act on Publicity of Property of Persons, Occupying High State and Other Positions (publ., SG, 38/2000; amend., 28 and 74/2002. 8/2003, 38/2004, 105/ 2005, 38 and 73/2006, 109/2007, 33, 69 and 94/2008, 93/2009, 18 and 62/2010, 38/2012, 30 and 71/2013, 12 and 17/2015, 39, 43 and 62/2016, 85/2017);

3. The Act on Prevention and Establishing Conflict of Interests (publ., SG, 94 /2008; amend., 10, 26 and 101/2009, 62 and 97/2010, 38/2012, 15/2013, 12/2015 and 62/2016).

§ 4. (1) (\*) Persons, for whom by this act for the first time occurs obligation for declaration, shall submit entry declaration under the conditions and procedure of this act within 1-month form confirmation of the declaration forms under Art. 35, Para. 1, p. 2 and 4.



(2) The obliged persons, having submitted entry declaration under the repealed Act on Publicity of Property of Persons, Occupying High State and other Positions shall not submit new entry declarations after the enforcement of this act. They shall submit declarations under the conditions and procedure of this act in the terms under Art. 36.

§ 5. (1) Unfinished checkups, and proceeding in relation to the repealed Act on Seizure in Favor of the State of Illegally Acquired Property and the Act on Seizure in Favor of the State of Property, Acquired from Criminal Activity (publ., SG, 19/2005; amend., 86 and 105/2005, 33 and 75/2006, 52, 59 and 109/2007, 16/2008, 12, 32 and 42/2009, 18 and 97/ 2010, 33 and 60/2011, 38/2012; repealed, 38/2012), as well as procedures on finding conflict of interests and imposing administrative punishments shall be finished under the current procedure by the Commission.

(2) The procedural representation on pending disputes of the Commission for seizure of illegally acquired property, the Commission for prevention and finding conflict of interests and the Centre for prevention and counteracting corruption and the organized crime at the Council of Ministers, of the relevant specialized directorate of the National Security State Agency for counteracting corruption actions among persons, occupying high state positions, as well as of the relevant unit of the National audit office, shall be performed by the Chairperson of the Commission for counteracting corruption and for seizure of illegally acquired property.

(3) (New – SG 20/18, in force from 06.03.2018) The order under Art. 166-168 shall also apply to property seized in favour of the State in accordance with the repealed Act On Seizure Of Illegally Acquired Property In Favour Of The State and Act Of Divestment In Favour Of The State Of Property Acquired From Criminal Activity.

§ 6. (1) The Commission for seizure of illegally acquired property shall be renamed to Commission for counteracting corruption and for seizure of illegally acquired property.

(2) In the Commission for counteracting corruption and for seizure of illegally acquired property shall be included the Commission for prevention and establishment conflict of interests, the Center for prevention and counteracting corruption and the organized crime at the Council of Ministers, the relevant unit of the National audit office, related to the activity of the repealed Act on Publicity of Property of Persons, Occupying High State and other Positions and the relevant specialized directorate of the National Security State Agency, related to counteracting corruption actions among the persons, occupying high state positions.

(3) In the Commission for counteracting corruption and for seizure of illegally acquired property shall be successor of the assets, liabilities, archive, information resource, the rights and duties of the Commission for prevention and finding conflict of interests and of the Center for prevention and counteracting corruption and the organized crime at the Council of Ministers, of the relevant part of the assets, liabilities, archive, rights and duties of the National audit office, related to the activity of the repealed Act on Publicity of Property of Persons, Occupying High state and other Positions, as well as the relevant specialized directorate of the National Security State Agency for counteracting corruption actions among the persons, occupying state positions.

(4) The National Security State Agency shall transfer to the Commission for counteracting corruption and for seizure of illegally acquired property all the archive cases and current cases to operative report, kept by the enforcement of this act in relation to performing activities under Art. 4, Para. 1, p. 4 of the State Agency for National Security Act. The information on these cases, remained in the data base of the agency shall be immediately destroyed. The transfer of the cases shall be performed within 6-month term in a procedure, defined by a joint act of the Chairperson of the National Security State Agency and the Commission Chairperson.

(5) The works and civil legal relations of the heads and officials in the administration under Para. 1 and 2 shall be provided under the conditions of Art. 123 of the Labor Code and Art. 87a of the

## Civil Servant Act.

(6) The civil legal relations of the civil servants under Art. 43, Para. 1, p. 1 of the State Agency for National Security Act, occupying position in the relevant specialized directorate of the National Security State Agency, related to counteracting corruption actions among the persons, occupying high state positions, shall pass to civil legal relation in the Commission for counteracting corruption and for seizure of illegally acquired property as civil servants under Art. 16, Para. 2 and shall be considered as such at one and the same appointment body.

(7) With passing of civil servants under Art. 16, Para. 2 of the Commission for counteracting corruption and for seizure of illegally acquired property at the position in a security service, public order and security, no competition shall be conducted, if they meet the requirements for occupying position in the relevant civil service under the relevant special act.

(8) The basic and additional remunerations of the civil servants under Art. 16, Para. 2 shall not be smaller than the amount of the remuneration, received in the National Security State Agency on the date of their transfer.

(9) The length of service, acquired under the State Agency for National Security Act shall be considered for work at one and the same employer, or by an appointment body, including in payment of the compensations, due in termination of the legal relations with the Commission.

(10) The served time as civil servant under the State Agency for National Security Act, for which no compensations have been received before transfer to the Commission for counteracting corruption and for seizure of illegally acquired property shall be considered while defining the amount of the compensation under this act.

(11) Persons under Para. 5 and 6 shall pass to the Commission for counteracting corruption and for seizure of illegally acquired property without test term, apart from the officials, which are during a test period.

(12) Persons, under Para. 2, who have occupied position of head of administration or employee in the general administration shall be transferred to a position with identical or similar function in the general administration of the Commission, the appointment body may propose another position, relevant to the qualification, professional experience and length of service.

(13) In case of refusal by the official to occupy the proposed position, the relevant legal relations shall be terminated without a notice. The refusal shall be certified in writing by the official. In case that the official refuses to certify it in writing, this fact shall be certified by the signatures of 2 witnesses.

(14) By 6 months from re-appointment, the persons under Para. 5 shall pass a checkup for morality, where their failure to pass it, shall be a reason for dismissal from the position.

(15) By the enforcement of the Rules under Art. 23, the Commission officials shall perform their official duties according to the current normative provision.

(16) The Council of Ministers, within 3-month term from the enforcement of the act shall settle the relations in relation to reformation of the administrative structure under Para. 1 and 2.

§ 7. (1) Within one- month term from the enforcement of the act, the National Assembly shall elect a Chairperson of the Commission for counteracting corruption and for seizure of illegally acquired property under Art. 9.

(2) Within 2-month term from the enforcement of the act, the National Assembly shall elect a Deputy Chairperson of the Commission for counteracting corruption and for seizure of illegally acquired property, upon proposal of the elected Chairperson under Art. 9.

(3) The newly elected Chairperson and members of the Commission for counteracting corruption and for seizure of illegally acquired property shall enter into office together from the date of completing its composition. By their entering into office, the current Chairperson and members of the Commission for seizure of illegally acquired property shall perform the activity under this act.

(4) The mandate of the current at the enforcement of the act Chairperson and members of the

Commission for seizure of illegally acquired property shall be terminated with the election of members of the Commission for counteracting corruption and for seizure of illegally acquired property and shall not be considered as mandate under Art. 10, Para. 2.

(5) The mandate of the current at the enforcement of the act members of the Commission for prevention and finding conflict of interest shall be terminated with the enforcement of the act and shall not be considered as mandate under Art. 10, Para. 2.

§ 8. The appointed by the enforcement of the act bodies under Art. 16, Para. 1 and 2 shall be obliged within 1-month term form constituting the Commission shall undertake the needed actions for removal of incompatibilities under Art. 10, Para. 3, p. 1, 3 and 5.

§ 9. The act shall also apply in relation to property, acquired illegally before its entry into force.

§ 67. (1) The Council of Ministers and the plenum of the Supreme Judicial Council shall adopt the Ordinances under § 2, Par. 6 within three months from the enforcement of the act.

(2) Within one-month term from the enforcement of the act, the Rules under Art. 23 shall be adopted.

(3) Within 3-month term from the enforcement of the act, the Ordinances under Art. 85, Para. 2 and Art. 102, Para. 2 shall be adopted.

(4) Within 3-month term from the enforcement of the act shall be adopted the rules under Art. 14, Para. 1, p. 11, Art. 15, Para. 8 and Art. 167, Para. 4. Within 3-month term form the enforcement of the act shall be adopted the instructions under Art. 24, Para. 2, and Art. 27, Para. 2, and Art. 88, Para. 1 and Art. 104, Para. 2.

(5) Within 1-month term from the enforcement of the Act, the rules under Art. 13 shall be adopted.

(6) The Commission shall adopt a complex methodology for prevention of corruption on the cases of the confirmed methodology by now in the Center for prevention and counteracting corruption and organized crime within 3-month term form its constituting.

(7) The bodies under Art. 35, Para. 3 shall confirm the declarations forms under Art. 35, Para. 1, p. 1 and 3 within 3-month term from the enforcement of the act.

(8) The Commission shall confirm the declaration forms under Art. 35, Para. 1, p. 2 and 4, within 3-month term form its constitution.

§ 68. (New - SG 21/18, in force from 23.01.2018) Paragraph 4, Para. 1 on municipal councilors and § 19, item 2 shall enter into force on December 1<sup>st</sup>, 2019.

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This Act is adopted by the 44th National Assembly on December 20, 2017, and January 12, 2018, and is stamped with the official seal of the National Assembly.

### **Transitional and concluding provisions TO THE PAYMENT SERVICES AND PAYMENT SYSTEMS ACT**

(PROM. - SG 20/18, IN FORCE FROM 06.03.2018)

§ 28. This Act shall enter into force on the day of its promulgation in the State Gazette, with the exception of:

1. Art. 47 which is to enter into force after the European Commission has published the electronic brochure on consumer rights under Art. 106, paragraph 2 of Directive 2015/2366/EU, and Art. 71, Para. 2, item 3, Art. 72, Para. 3, item 4, Para. 4, item 1, Art. 73, Para. 2, item 3, Para. 3, item 1 and Art. 100 which are to enter into force 18 months after the entry into force of the regulatory technical standards adopted by the European Commission pursuant to Art. 98, paragraph 4 of Directive

2015/2366/EU; until the entry into force of Art. 100, Para. 1-6, payment service providers shall comply with the requirements of the European Banking Authority's Final Guidelines On The Security Of Internet Payments of 19 December 2014;

2. Article 102 which is to enter into force on 30 April 2018, and Art. 103 to 109 which are to enter into force on 31 October 2018;

3. paragraph 16, item 2, letter "c" of the Transitional and Final Provisions concerning Para. 8, which is to enter into force on 1 January 2019;

4. paragraph 25 and § 26, items 1 to 5 of the Transitional and Final Provisions, which are to enter into force on 1 July 2018.

#### **Concluding provisions**

### **TO THE ACT SUPPLEMENTING THE ACT ON COUNTERACTING CORRUPTION AND ON SEIZURE OF ILLEGALLY ACQUIRED PROPERTY**

(PROM. - SG 21/18, IN FORCE FROM 23.01.2018)

§ 2. This Act shall enter into force on January 23, 2018.