

COMMERCIAL REGISTER ACT

Chapter One GENERAL TERMS

Scope

Article 1. This Act settles the maintenance and operating of the Commercial Register.

Particulars subject to entry

Article 2. (1) The particulars related to the merchants and which entry has been regulated by law shall be entered in the Commercial Register.

(2) The entry of a particular not subject to entry shall not give rise to any effect.

Acts subject to disclosure

Article 3. (1) Acts related to the merchants and which disclosure has been regulated by law shall be disclosed in the Commercial Register.

(2) The disclosure of an act not subject to disclosure shall not give rise to any effect.

Obligation for entry and disclosure

Article 4. (1) Each merchant shall be obliged to require to be entered in the Commercial Register by declaring the particulars subject to entry and by submitting the acts subject to disclosure.

(2) The persons who are obliged to declare the particulars subject to entry and submit the acts subject to disclosure, shall be determined by the law.

(3) Each person who is obliged to require entry of particulars or to submit acts in the Commercial Register should do that within 14-day term as of the occurrence of the particular or of the formation of the act.

Effect of Entry

Article 5. (1) The entered particular shall be deemed known to the third bona fide parties as of the day of entry.

(2) The third parties may refer to the particular subject to entry although the entry has not yet been made unless the law envisages that it shall be effective only after the entry is made.

Effect of Disclosure

Article 6. The significance of the disclosure shall be to make the disclosed act public.

Trustworthiness of the Commercial Register

Article 7. (1) Each bona fide person shall be entitled to refer to the entry even if the entered particular is non-existent.

(2) The non-filed particulars shall be deemed non-existent for the third bona fide parties.

Publicity of the Commercial Register

Article 8. The Commercial Register shall be public. Each person shall be entitled to examine the Commercial Register and the documents on the basis whereof the entries have been made, as well as to receive copies thereof.

Fees

Article 9. For the entries and disclosures in the Commercial Register, for making inquiries and issuing certificates, of copies of the disclosed acts on the basis whereof the entry has been made, a state fee approved by the Council of Ministers shall be paid.

Chapter Two COMMERCIAL REGISTER

Definition

Article 10. The Commercial Register shall be the pool of data about the particulars entered and the acts disclosed related to the merchants.

Information System

Article 11. The Commercial Register shall be structured as an information system based on uniform electronic database.

Entry

Article 12. The entry shall comprise transfer of information about the respective particular to the electronic database.

Deletion

Article 13. The deletion shall comprise transfer of information about the deletion related to the information about the particular subject to deletion to the electronic database.

Disclosure

Article 14. The disclosure shall comprise transfer of information about the act subject to disclosure to the electronic database.

Maintenance and Operating of the Commercial Register

Article 15. (1) The Commercial Register shall be kept by the Registry Agency .

(2) The Registry Agency shall check up the occurrence and the due documentation of the particulars subject to entry and of the acts subject to disclosure.

Competence

Article 16. (1) The applications and orders shall be submitted to the territorial units of the Registry Agency as per the district court's seats.

(2) Inquiries shall be made and certificates shall be issued in all territorial units of the Registry Agency.

Rules

Article 17. The Minister of Justice shall issue Rules about the maintenance and operating of the Commercial Register.

Chapter Three **UNIFORM IDENTIFICATION NUMBER**

Determination

Article 18. (1) The Registry Agency shall assign a unique uniform identification number hereinafter referred to as UIN, obligatory for the persons entered in the Commercial Register.

(2) The UIN shall be determined upon the initial entry of the persons in the Commercial Register and shall remain unchanged until their deletion.

(3) The UIN reservation, the assigning of a new one and the establishment of connection between the UIN upon transformation of the companies shall be regulated by the Rules under Article 17.

Obligation for Indication

Article 19. (1) The persons registered in the Commercial Register shall always be obliged to indicate their UIN in their correspondence.

(2) If the UIN is indicated the state authorities and the persons whom the exercising of the public function is assigned may not require the proving of particulars entered in the Commercial Register and the presentation of acts disclosed in the Commercial Register.

Consequences

Article 20. The persons registered in the Commercial Register shall be excluded from the BULSTAT Register.

Chapter Four **REGISTRATION PROCEDURE**

Application for Entry

Article 21. The entries, deletions and disclosures shall be made on the basis of an application.

Order for Entry

Article 22. The entries, deletions and disclosures shall be made by court order, as well.

Electronic Form

Article 23. The Registry Agency shall provide an option for acceptance of applications and orders for entry, deletion and disclosure filed via electronic channels.

Identification

Article 24. Any application for entry, deletion and disclosure shall be made by:

1. the sole proprietor;
2. the representative of the legal entity– merchant;
3. another empowered person.

Contents of Application

Article 25. (1) The application should contain the data about the particular subject to entry, which should be transferred to the electronic database in text

format. If the application is for deletion it should also contain the registration number of the entry, to which the deletion is made.

(2) The documents certifying the declared particular, respectively the act submitted for disclosure, shall be attached to the application.

(3) The applicant shall declare under fear of penal liability the truthfulness of the particulars declared by him/her.

Immediate Consideration

Article 26. (1) The applications for entry, deletion or disclosure in the Commercial Register shall be immediately considered and the requested entry, deletion or disclosure shall be made in the register thereafter.

(2) Each entry, deletion and disclosure shall have a unique registration number.

Obstacles

Article 27. Obstacles for entry, deletion and disclosure shall be present when:

1. the necessary fee has not been paid;
2. the presented documents are irregular as concerns their appearance, contain deletions, cross-outs or amendments that are not made in compliance with the regulations envisaged, are illegible or are impossible to be taken electronic image of;
3. the declared particular is not ascertained by the presented evidence;
4. the application does not contain all the necessary data or the data indicated do not comply to the evidence presented;
5. no declaration under Article 25, para. 3 is attached;
6. the application is not made by a person authorized pursuant to the law;
7. another person has rights on the business name or it is not in compliance with the requirements of Article 7, para. 2 of the Commercial Act, upon initial entry or change of the business name.

Instructions

Article 28. Should obstacles for making the declared entry, deletion or disclosure be ascertained the applicant shall be instructed about the nature of the obstacles.

Rejection

Article 29. (1) The declared entry, deletion or disclosure shall be rejected if:

1. the applicant upholds the application without eliminating the obstacles found;
2. the particular declared is not subject to entry or the act submitted is not subject to disclosure.
 - (2) All obstacles shall be indicated in the rejection.
 - (3) The rejection shall be submitted to the applicant who shall certify that with his/her signature.

New Application

Article 30. The applicant might remove the defects and file a new application. The new application shall be entered in the order of its receiving.

Appealing

Article 31. (1) The rejection shall be subject to appealing under administrative channels before the Minister of Justice.

(2) The rejection of the Minister of Justice shall be subject to appealing pursuant to the provisions of the Supreme Administrative Court Act.

Errors and Incomplete Data

Article 32. (1) Any errors and incomplete data in a particular entered or act disclosed shall be removed through another entry or disclosure.

(2) Any errors and incomplete data due to non-correspondence in the data and their entry in the application shall be removed by another entry.

Responsibility in Case of Errors and Incomplete Data

Article 33. The Registry Agency shall be responsible for the damages caused by errors and omissions upon transfer of the information in the application or order in text format. Such errors and incomplete data shall be eliminated ex officio.

Contestation of Entry

Article 34. (1) Any interested party, as well as the prosecutor, might file a lawsuit before the district court as per the merchant's seat to ascertain inadmissibility or nullity of the entry, as well as non-existence of a particular entered.

(2) If the lawsuit is taken into consideration, the deletion of the respective particular shall be made by order of the court or by application of the interested party.

Chapter Five CERTIFICATES AND INQUIRIES

Inquiries

Article 35. (1) Each person might require a inquiry or issuing of a certificate for the presence or lack of a particular entered or an act disclosed in the Commercial Register.

(2) Inquiries might be made in the Commercial Register as per the business name and/or merchant's UIN. Inquiries might be made on the basis of each feature in the data of the separate merchant.

(3) No other inquiries might be made in the Commercial Register.

Contents of Certificates and Inquiries

Article 36. (1) The certificates and inquiries shall contain excerpt of the register and/or copies of the acts disclosed and/or documents, on the basis whereof the entries have been made.

(2) No certificates with another contents shall be issued.

Issuing of Certificates and Inquiries

Article 37. (1) The inquiries might be oral and written. For purpose of making the inquiries the particulars of the person requiring the inquiry, the particulars about the fee paid and the particulars about the merchant, which the inquiry is made for, shall be required.

(2) The certificates are official documents. Copies of the certificates issued shall be kept for a period of 5 years.

Remote Access

Article 38. The Registry Agency shall provide an option for making inquiries through remote access, issuing of inquiries and certificates in electronic form and their submission through electronic channels.

Chapter Six BUSINESS NAME RESERVATION

Business Name Reservation

Article 39. (1) Each person might reserve a definite business name.

(2) The reservation of a certain business name shall be an obstacle for entry in the Commercial Register, on behalf of another merchant, that it shall exercise its activity and shall put his/her signature under this business name.

(3) The reservation shall have effect for two months.

Reserved Business Name Transfer

Article 40. (1) The reserved business name might be transferred as well as re-transferred to another person.

(2) The transfer shall be entered by an application on behalf of the holder.

Chapter Seven **FINANCING OF THE COMMERCIAL REGISTER**

Financing of the Maintenance and Operating of the Register

Article 41. The financing of activities related to the maintenance and operating of the Commercial Register shall be ensured by a subsidy from the budget of the Ministry of Justice, by fees under this Act, by other income, as well as with funds on national and regional programs, international programs, projects and agreements.

Financing of the Development of the Register

Article 42. (1) The funds collected from deductions to the amount of 25 percent of the fees collected under this Act, as well as from the additional budget income in the form of fines and property sanctions ascertained and collected under penal ordinances issued under this Act, shall be assessed and spent only for the development of the material basis, for providing higher qualification and for stimulating the employees of the Agency under terms and in a manner determined by a decree issued by the Minister of Justice.

(2) The funds for stimulation of employees might not exceed 25 percent of the annual amount of the funds envisaged for salary.

Chapter Eight **ADMINISTRATIVE AND PENAL PROVISIONS**

Violations and Fines

Article 43. (1) Any person who is obliged under this Act but fails to require, within the legally prescribed term, entry or does not submit papers or signature specimens provided by the law shall be punished with a fine from BGN 100 up to 500.

(2) Should the person obliged, after being punished with a fine, not require entry, nor submit papers or signature specimens within the term determined he/she shall be punished with fines under para. 1 till he/she undertakes the actions.

(3) Any official who is obliged and though does not undertake the necessary measures for an entry in the register or for a submission of papers or signature specimens shall be punished with a fine pursuant to the paragraphs above.

(4) Any person who is obliged under the Commercial Act but does not indicate in his/her commercial correspondence the data prescribed by Article 13 of the Commercial Act shall be punished with a fine from BGN 100 up to 500.

Ascertainment of Violations and Fining

Article 44. (1) The violations shall be ascertained by statements drawn up by officials appointed by the executive director of the Registry Agency, and the penal ordinances shall be issued by the executive director of the Registry Agency or of the officials empowered by him/her.

(2) The ascertainment of the violations, the issuing, appealing and implementation of penal ordinances shall be performed in the manner envisaged in the Administrative Violations and Penalties Act.

ADDITIONAL PROVISIONS

§ 1. (1) The Council of Ministers, the district governors and the municipality mayors shall provide buildings or premises to the Registry Agency for the needs of the registers kept by the Agency.

(2) Until providing the buildings under para. 1 the Supreme Judicial Council shall provide for usage the premises in the district courts used by the employees keeping the court registers to the Registry Agency.

§ 2. The labor relations with the registration clerks at the district courts who keep the commercial registers and the cooperatives registers shall be settled under the terms and in the manner envisaged in Article 123 of the Labor Code.

§ 3. Upon entry into force of the Act, the district courts shall immediately provide to the Registry Agency the material basis, equipment, software and the communication media intended for keeping of the respective registers.

TRANSITORY PROVISIONS

§ 4. (1) The persons entered in the Commercial Register and the Register of Cooperatives with the district courts, shall be obliged to re-register under this Act within 2-year term. No state fee for the re-registration shall be paid.

(2) The re-registration under para. 1 shall be made by entry in the Commercial Register of the respective particulars about the merchant on the basis of a current status certificate as per its registration issued by the court and disclosure of the Memorandum or Articles of Association in force certified by the management body of the company or cooperative.

(3) The court as per registration shall *ex officio* issue current status certificates as per the registration of the merchants entered in the court registers and shall put them to their disposal in the office.

(4) The current status certificate as per the registration shall be submitted to the merchant against presentation of a document certifying its BULSTAT code.

(5) After submitting the current status certificate as per the registration of the merchant, the court shall ensure access and work station to a Registry Agency employee for making an electronic image of its batch and the whole merchant's file. The electronic copy shall be sent to the Registry Agency as per the BULSTAT code. By receiving the electronic copy of the batch and the merchant's file by the Registry Agency they shall be deemed archived in the court.

(6) The obligation under para. 1 shall be deemed performed if a particular or change are entered, or an act is disclosed in the Commercial Register within the envisaged term. Upon the first entry of a particular or change, respectively upon the first disclosure of an act, para. 1 – 5 shall be applied.

(7) Upon re-registration the BULSTAT code shall become the merchant's UIN.

§ 5. In case of coincidence of the business names of two or more merchants in the Commercial Register the first one in order, which has performed the obligation under § 1, para. 1 shall be entered. The rest of the merchants might re-register by changing their business names or file a lawsuit under Article 11, para. 2 of the Commercial Act.

§ 6. In the Commercial Act the following amendments shall be made:

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§ 7. In the Cooperatives Act the following amendments shall be made:

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§ 8. In the Registered Pledges Act the following amendments shall be made:

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§ 9. In the BULSTAT Register Act the following amendments shall be made:

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§ 10. In the Civil Procedures Code the following amendments shall be made:

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FINAL PROVISIONS

§ 11. This Act enters into force on September 1st, 2006.