



REPUBLIC OF BULGARIA
Ministry of Youth and Sports

TO
MR. NIGEL FREEMAN
EXECUTIVE DIRECTOR
WORLD CHESS FEDERATION

DEAR MR. FREEMAN,

As a result of the inspection conducted by the Inspectorate Unit under article 64a of the Physical Education and Sports Act (PESA), it was found out that during the period 01.01.2014 – 31.12.2014, the Bulgarian Chess Federation (BCF) has inexpediently spent funds in the amount of BGN 381 386.86. The Ministry of Youth and Sports and the Bulgarian Chess Federation have entered into an agreement dated 10.08.2016 for deferred payment of liabilities in the amount of BGN 476 105.51, including an interest in the amount of BGN 94 718.65.

The Bulgarian Chess Federation failed to fulfil its obligations for payment of the instalments as per the repayment schedule agreed upon – payment of the instalments on the respective maturity date and in the respective amount.

With letter dated 19.07.2017, BCF was notified to pay the overdue amounts within seven days.

On 27.07.2017 a letter was sent to BCF stating that due to the federation's failure to pay the amounts due within the specified time period, the Ministry of Youth and Sports would terminate the agreement for deferred payment of the liability under such agreement. The letter was served on 01.08.2017 personally to Mr. Nikolay Velchev – executive director of the federation, and the receipt was verified by his personal signature.

As a result of another unscheduled inspection conducted subsequently by the Inspectorate Unit under article 64a of PESA for the period 2011 – 2014, it was found out that the Federation actually had to reimburse quite more funds and the amount of BGN 381 386.86 inexpediently incurred for 2014 has increased to BGN 2 097 461.43 for the period 2011 – 2014. These funds have not been spent for their purpose, and namely for payment of charges for conducting championships and tournaments of the European Chess Union (ECU). During the inspection of BCF, the Inspectorate Unit has also found violations of legal regulations. Furthermore, some of the tournaments held have not been on the official ECU calendar and the sports federation has not charged and collected hosting charges, etc. in compliance with the ECU Regulations.

In the course of the unscheduled inspection, the Inspectorate Unit has reviewed the findings set out in a report of the Public Financial Inspection Agency (PFIA), together with the letter

of the European Chess Union dated 14.12.2015 and annexes enclosed thereto, Arbitration Ruling of the Court of Arbitration for Sport under the case of BCF versus ECU, etc.

On 1 August 2017, the Ministry of Interior gave BCF one week time period to reimburse the amount in question that expired on 8 August 2017, and the funds were not credited to the account of the Ministry.

With view of the above and on the grounds of article 17b, paragraph 4, item 6 of PESA, in relation to the existence of overdue liabilities to the Ministry of Youth and Sports, the license commission at the Ministry adopted unanimous resolution to propose to the Minister not to renew the sports license of BCF.

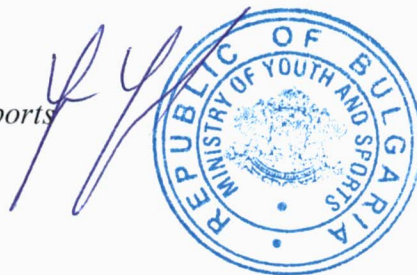
By my order No RD-10-50/10.08.2017, the renewal of BCF's license was refused and therefore for the time being there are no legal grounds for the association to coordinate, control and administer the chess sport on the territory of the Republic of Bulgaria.

To this end and with view of protecting the interests of the state, the Ministry of Youth and Sports has initiated interim proceedings before the competent Bulgarian court – Sofia City Court, and has submitted an application for security of a future claim for injunction over the property of the Bulgarian Chess Federation, as well as a statement of claim for the amount due. Furthermore, the Ministry of Youth and Sports has referred to the Prosecutor's Office for conducting an inspection and identification of the person – perpetrator of a possible crime, and has made a request for inspection of the bank accounts to which the amounts have been transferred.

Please, do not hesitate to contact us if any additional information is needed.

ENCLOSED: Copy of order No RD-10-50/10.08.2017 of the Minister of Youth and Sports

KRASEN KRALEV
Minister of Youth and Sports





РЕПУБЛИКА БЪЛГАРИЯ
Министерство на младежта и спорта

ЗА П О В Е Д

№ *РД-10-50*

София, *10.08* 2017 год.

На основание чл. 176, ал. 4, т. 6 от Закона за физическото възпитание и спорта (ЗФВС) и въз основа на протокол от 04.08.2017 г. от работата на Комисията за лицензиране и атестиране (КЛА), назначена със Заповед № РД-09-339/29.05.2017 г. на министъра на младежта и спорта

О Т К А З В А М

Подновяването на спортна лицензия № 000045 на сдружение „Българска федерация по шахмат“, рег. ф. д. № 11591/1991 г. по описа на СГС, БУЛСТАТ 121331360, седалище и адрес гр. София, бул. Васил Левски № 75, поради следните

МОТИВИ:

Сдружение „Българска федерация по шахмат“ (БФШ), притежаващо спортна лицензия № 000045, валидна до 05.06.2017 г., е подало заявление и документи за подновяване на спортна лицензия съгласно чл. 176, ал. 1 от ЗФВС с вх. № 09-00-1343/24.01.2017 г.

На заседания на КЛА на 20.04.2017 г., 12.06.2017 г. и 04.08.2017 г. са разгледани заявлението с приложените документи, както и становища от „Национална спортна база“ ЕАД, „Академика 2011“ ЕАД, Инспектората по чл.64а от ЗФВС, дирекция „Финанси“ и дирекция „Елитен спорт (Спорт за високи постижения)“ в ММС.

Между ММС и БФШ е сключено споразумение № 36-00-1385/10.08.2016 г. за разсрочено плащане на парични задължения, произхождащи от задължението за възстановяване на нецелесъобразно изразходвани публични средства, предоставени от ММС по нормативноустановения ред за финансово подпомагане на БФШ за реализиране на проекти по договори № 36-00-14/21.01.2014 г. и № 36-00-381/08.05.2014 г.

В паметна записка с вх. № 09-00-1686/12/31.05.2017г. дирекция „Финанси“ информира КЛА, че БФШ не изпълнява споразумението за разсрочено плащане, като е посочено, че към 31 май 2017 г. федерацията има 5 просрочени вноски по 19 838 лв. Общото просрочено задължение към тази дата е в размер на 99 190 лв., от които главница в размер на 79 455 лв. и лихва в размер 19 735 лв.

С писмо изх. № 09-00-1686/16/19.07.2017 г. е отправена покана към БФШ за заплащане на просрочената сума, която към тази дата възлиза на 141 953, 26 лв., главница и лихва. На 26.07.2017г. в ММС е постъпило писмо от БФШ, с което се иска ново разсрочване на задълженията на федерацията.

С писмо изх. № 09-00-1686/19/27.07.2017 г. ММС прекратява сключеното споразумение за разсрочено плащане с БФШ поради непогасяване от федерацията в срок на уговорените вноски. Не плащане на само една от вноските по споразумението прави цялата сума изискуема. Писмото е получено на ръка на 01.08.2017 г. от Николай Велчев – изпълнителен директор на федерацията, което е удостоверено със собственоръчния му подпис.

Към момента цялата сума по споразумение № 36-00-1385/10.08.2016 г. в размер на 476 105,51 лева (четирисотин седемдесет и шест хиляди сто и пет лева и 51 ст.) е изискуема ведно с лихвите.

Въз основа на горното намирам за установено, че сдружение „Българска федерация по шахмат” има просрочени задължения към държавата – посочената по-горе сума, произхождаща от подлежащи на възстановяване от БФШ публични средства, предоставени ѝ от ММС, за която е било сключено споразумение за разсрочено плащане, едностранно прекратено от ММС поради неизпълнение от страна на БФШ – незаплащане на нито една от уговорените погасителни вноски. Описаното е предпоставка за отказ за подновяване на спортната лицензия на основание чл. 17б, ал. 4, т.6 от ЗФВС.

Заповедта да се изпрати на сдружение „Българска федерация по шахмат”.

Заповедта подлежи на обжалване по реда на Административнопроцесуалния кодекс чрез министъра на младежта и спорта пред Върховния административен съд в 14-дневен срок от съобщаването ѝ.

На основание чл. 17г, ал. 2 от ЗФВС обжалването не спира изпълнението на заповедта.

КРАСЕН КРАЛЕВ
Министър на младежта и спорта



ЗАПОВЕД
ЗА ГЛАВЕН СЕКРЕТАР
Васил Пеловски
ЗАПОВЕД № 4.Р.17-604/03.08.2017г.

Главен секретар:
/А. Марков/

Директор на Дирекция СВП:
/А. Боева/

Директор на Дирекция АПНО:
/В. Пеловски/

*Неофициален превод***ORDINANCE**

№ RD – 10 -50

Sofia, 10.08.2017

Pursuant to Art. 17b, para 4, item 6 of the Physical Education and Sports Act and on the basis of a protocol of 04.08.2017 of the work of the Commission for Licensing and Attestation appointed by Order No. ПД - 09- 339 / 29.05 .2017 of the Minister of Youth and Sports

I REFUSE

The renewal of the sports license number 000045 of the Association "Bulgarian Chess Federation" reg. No. 11591/1991 according to the register of Sofia City Court, BULSTAT 121331360, registered office and address Sofia, Bul. Vasil Levski 75 for the following

REASONS:

Association "Bulgarian Chess Federation", holding a sports license № 000045, valid until 05.06.2017 has filed an application and documents for renewal of a sports license under Art. 17b, para. 1 of the Public Offering of Securities Act with entry № 09-0001343 / 24.01.2017.

At the meetings of the Licensing Commission on 20.04.2017, 12.06.2017 and 04.08.2017 are considered the application with the attached documents, as well as the opinions of "National Sports Base" EAD, "Academic 2011" EAD, the Inspectorate under Art.64a of the Financial Controls Directorate, Finance Directorate and Elite Sport (Sport for excellence) Directorate at the Ministry of Youth and Sports.

Between Ministry of Youth and Sports and Association "Bulgarian Chess Federation" an agreement № 36-00-1385/10.08.2016 has been concluded for deferred payment of monetary liabilities stemming from the obligation to recover inappropriately earmarked public funds granted by the Ministry of Youth and Sport under the established procedure for financial support of Association "Bulgarian Chess Federation" for realization of projects under contracts № 36-00-14/21.01.2014 and № 36-00-381/08.05.2014.

In a memorandum, the Finance Directorate informs the Commission for Licensing and Attestation that Association "Bulgarian Chess Federation" does not fulfill the deferral payment agreement, indicating that as of 31.05.2017 the federation has 5 overdue installments of BGN 19 838. The total overdue liability at that date amounts to BGN 99,190. of which principal amounting to BGN 79 455. and interest in the amount of BGN 19 735.

By letter № 09-00-1686/16/19.07.2017 an invitation was made to Bulgarian Chess Federation for the payment of the overdue amount, which at that date amounted to BGN 141 953.26. principal and interest. On 26.07.2017 at the Ministry of Youth and Sports a letter was received from Bulgarian Chess Federation requesting a new rescheduling of the Federation's obligations.

By letter № 09-00-1686/19/27.07.2017 Ministry of Youth and Sports terminates the concluded deferral payment agreement with Bulgarian Chess Federation due to the fact that the Federation fails to pay it within the agreed installments. Not payment of only one of the installments under the agreement makes the entire amount required. The letter was received by hand on 01.08.2017 by Nikolay Velchev - Executive Director of the Federation, which is certified with his own signature.

At present, the total amount under agreement - amounting to BGN 476,105.51. is required together with interest.

On the basis of the above, I find that Bulgarian Chess Federation have overdue debts to the State - the above-mentioned amount, coming from recoverable from Bulgarian Chess Federation public funds provided to it by the Ministry of Youth and Sports for which an agreement was concluded a deferred payment agreement unilaterally terminated by the Ministry of Youth and Sport due to non-fulfillment by Bulgarian Chess Federation failure to pay any of the agreed repayments. This is a prerequisite for the refusal to renew the sport license on the grounds of Art. 17b, para. 4, item 6 of the FFA.

The order is to send to "Bulgarian Chess Federation".

The order is subject to appeal under the Administrative Procedure Code through the Minister of Youth and Sports before the Supreme Administrative Court within 14 days of its notification.

Pursuant to Art. 17d, para. 2 of the EFSF the appeal does not stop the execution of the order.

KRASEN KRALEV
Minister of Youth and Sports