

Ordinance No. 5

of 4 October 2007

on the Terms and Procedure for Acquisition, Registration, Redemption and Trade in Government Securities

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Chapter One

General Provisions

Article 1. (1) This Ordinance shall establish the terms and procedure for acquisition, registration, redemption and trade in book-entry government securities hereinafter referred to as ‘government securities, issued in the domestic market by the Minister of Finance. This ordinance shall not apply to trade in government securities in regulated markets or multilateral trading facilities.

(2) Book-entry government securities shall be government securities which are not issued in a physical form but exist in the form of accounting and/or electronic entries in programme systems certifying the ownership over these government securities.

Article 2. (1) Government securities shall be issued by a decision of the Minister of Finance.

(2) Government securities may be:

1. ‘short-term government securities’ – with a redemption term of up to one year inclusive;

2. ‘medium-term government securities’ – with a redemption term from one to five years inclusive;

3. ‘long-term government securities’ – with a redemption term of over five years.

(3) Government securities may yield income in the form of discount from the nominal value and/or interest.

(4) The Bulgarian National Bank shall:

1. organize the activities in relation to the sale of government securities on behalf and for the account of the government and publish information thereof; therefore, it shall establish and maintain a System for Conducting Auctions and Sale Subscriptions of Government Securities (GSAS);

2. adopt a tariff on fees and commissions charged on government securities transactions in the primary and secondary markets upon coordination with the Ministry of Finance;

3. establish and maintain the Electronic System for Registration and Servicing Trade in Government Securities (ESROT);

4. establish and maintain a Government Securities Settlement System (GSSS).

(5) All government securities issued by the Minister of Finance shall be registered in the systems under paragraph 4, items 3 and 4.

(6) The Bulgarian National Bank shall organize its activities under paragraphs 4 and 5 pursuant to the agency contract signed with the Minister of Finance.

(7) All transactions concluded under this Ordinance with a flow on the current accounts shall be based on the ‘delivery versus payment’ principle.

Article 3. (1) The following entities may become ESROT participants:

1. primary dealers of government securities;

2. subdepositories of government securities;

3. investment intermediaries other than the entities under item 1 whose licenses provide for the services and activities under Article 5, paragraph 2, items 1, 2 and 3 of the Law on Markets in Financial Instruments, including investment intermediaries from other member states;

4. banks other than the entities under items 1 and 2 whose licenses provide for the services and activities under Article 2, paragraph 2, items 8 and 9 of the Law on Credit Institutions, including banks from other member states;

5. member states’ central securities depositories (CSDs);

6. the Bulgarian National Bank and other members of the European System of Central Banks;

7. the Ministry of Finance;

8. the Reserve Guarantee Fund of which the BNB shall keep a register under Article 7;

9. other entities approved by the Minister of Finance and the BNB Governor.

(2) Primary dealers shall be the entities approved by the Minister of Finance under Ordinance No. 15 of 2007 on the Control over Transactions in Government Securities (Ordinance No. 15 of 2007).

(3) Subdepositories of government securities may be credit institutions under Article 2, paragraph 5 of the Law on Credit Institutions whose licenses provide for the activity under Article 2, paragraph 2, item 4 of the Law on Credit institutions.

(4) ESROT participants shall participate in GSSS.

Article 4. ESROT participants shall meet the following requirements:

1. banks and investment intermediaries are required to have a relevant license for providing investment services and conducting activities;

2. have a current account with the BNB or specify a bank’s current account with the BNB which shall be used for the cash settlement of transactions in government securities pursuant to a contract concluded with this bank.

3. have technical communication facilities necessary to send instructions for and

notifications of transactions in government securities in the secondary market, as well as to receive notifications and confirmations on behalf of the BNB.

(2) The technical communication facilities which may be used are SWIFT, ESROT web-based interface when using a universal electronic signature and telex.

(3) Other technical facilities may be used upon notification by the Ministry of Finance and the Bulgarian National Bank that they are ready to introduce them.

Article 5. (1) A Commission as determined by the head of the Fiscal Services Department at the BNB, which consists of three permanent and three reserve members shall decide on the eligibility for participation in ESROT.

(2) Those willing to participate in ESROT shall submit an application to the Fiscal Services Department drawn up according to the sample form under Appendix 1 and signed by the persons authorized to represent the institution. The following documents shall be attached to the application:

1. a certificate of actual standing issued not earlier than one month before the date of application; participants under Article 3, paragraph 1, items 6, 7 and 8 shall not submit such an application.

2. a specimen signature of the person authorized to represent the institution certified by a notary.

3. a copy of the bank/investment intermediary license;

4. an application for opening government securities accounts (Appendix 1 to Article 9 of Ordinance No. 31 of 2007 for settlement of government securities);

5. the SWIFT address of the participant which shall be used for ESROT communication and data on universal electronic signature certificates of users authorized by the participant to establish connections *via* the ESROT WEB-based interface;

6. a list of authorised contact persons in the events of problems with government securities transactions of the participant.

(3) For the cash settlement purposes of the government securities transaction:

1. the participants shall provide the number of their current account with the BNB;

2. non-bank participants willing to open a current account with the BNB shall file an application for opening such an account to the Banking Department pursuant to RINGS rules and procedures ;

3. non-bank participants that have no current accounts with the BNB shall enclose a declaration from a bank according to the sample form under Appendix 2 by which the bank gives its consent to be a payment agent of the participant and the ESROT administrator shall *ex officio* debit/credit its current account with the BNB in relation to the participant's transactions in government securities.

(4) Transactions between two ESROT participants where one of them is a bank which is a payment agent of the other, as well as transactions between two ESROT participants having as a payment agent one and the same bank shall be registered in ESROT only without flows on the current accounts with the BNB.

(5) ESROT participants under Article 3, paragraph 1, items 1, 3 and 4, who are not subdepositories of government securities shall enclose a declaration according to the sample form under Appendix 3 on the basis of a contract concluded with a subdepository bank where the government securities transferred to the customers shall be deposited.

(6) Upon submission of the required documents and after conducting successful tests for the technical preparedness of the participant for ESROT communication via SWIFT and/or ESROT WEB-based interface when using a universal electronic signature an agreement for participation in ESROT shall be signed between the BNB and the participant.

(7) The Bulgarian National Bank shall retain the right to refuse access to ESROT to the participant without stating the reasons for the refusal.

(8) The Bulgarian National Bank shall keep an up-to-date list of ESROT participants which shall be available on its official website.

(9) All documents issued in a foreign language as submitted under this Ordinance shall be accompanied by a legalized Bulgarian translation.

(10) The participants shall notify the BNB of any change of circumstances under this Article on the date of entry into force of this change.

Article 6. (1) Participation in ESROT shall be unilaterally terminated by the BNB where:

1. the license of the ESROT participant has been revoked or insolvency proceedings have been instituted;
2. the decision on termination has been taken by the competent authority of the participant;
3. the participant no longer meets the requirements under Articles 4 and 5;
4. in the cases provided for by the law where measures restricting the provision of investment services or conduct of activities by the participant have been imposed.

(2) The participant shall notify the BNB of the respective circumstances under paragraph 1 on the day from which it is effective.

(3) Participation in ESROT may be terminated at the participant's request with a one-month prior notice. Within this month the participant shall transfer the administration of government securities owned by him or by his customers to another ESROT participant. Transactions agreed upon in advance with a value date on or after the date on which the participation is terminated shall not be registered in ESROT.

Article 7. The Bulgarian National Bank shall keep the register of the Reserve Guarantee Fund established pursuant to Article 56 of Ordinance No. 3 of 2005 on the Funds Transfers and Payment Systems (published in the Darjaven Vestnik, issue 81 of 2005; amended; issues 15 and 24 of 2006, issue 10 of 2007) under the following conditions:

1. a register of government securities shall be opened on the basis of a written request addressed to the Fiscal Services Department signed by the persons representing the Reserve Guarantee Fund;

2. only transactions under Article 16, paragraph 1, items 2 and 3 without a flow on the current accounts concluded by the Fund in the secondary market under Article 17 shall be entered in the register;

3. repurchase of government securities in repo agreements under item 2 shall be effected upon a written notification of the Fund's operator to the Fiscal Services Department.

Chapter Two

Acquisition of Government Securities in the Primary Market

Article 8. (1) Government securities shall be acquired in the primary market through auctions organized and conducted by the BNB *via* the GSAS.

(2) Participants in GSAS may be the primary dealers of government securities approved by the Minister of Finance under Ordinance No. 15 of 2007 having the technical communication facilities needed to send bids for participation in auctions and to receive notifications by the BNB. The technical communication facilities which can be used are: SWIFT, GSAS WEB-based interface where a universal electronic signature is used and telex. Other technical facilities may be used only upon notification by the Ministry of Finance and the Bulgarian National Bank that they are ready to introduce them.

(3) A Commission as determined by the head of the BNB Fiscal Services Department, which consists of three permanent and three reserve members shall decide on the eligibility of primary dealers for participation in the GSAS.

(4) On the basis of the list of primary dealers officially announced by the Ministry of Finance and designated as eligible, the Commission under paragraph 3 shall organize tests which each primary dealer shall pass to prove its technical preparedness to send bids in line with the system rules. Those primary dealers that have successfully passed the tests shall be entitled to participate in GSAS and the persons authorized by them to send bids shall be granted access to the system. Primary dealers that have already participated in the GSAS may not be subject to such tests.

(5) Where necessary, upon prior notification by the Ministry of Finance and the BNB the participants in GSAS shall pass tests related to the development and improvement of the system.

(6) Participation in GSAS shall be unilaterally terminated by the BNB where:

1. the participant in GSAS has been excluded from the list of primary dealers by a decision of the Minister of Finance from the date specified in the decision;
2. participation in ESROT has been terminated pursuant to Article 6;
3. the tests under paragraph 5 have not been performed successfully;

(7) The Bulgarian National Bank shall keep an up-to-date list of GSAS participants which shall be available on the BNB website.

Article 9. (1) The Bulgarian National Bank shall conduct government securities auctions on Monday. By a decision of the Minister of Finance, the BNB may organize auctions on the other days of the week.

(2) When the day specified under paragraph 1 is not a business day, the auction shall be conducted on the following business day.

(3) By a decision of the Minister of Finance, the BNB may organize extraordinary auctions, in which only the primary dealers specified in the decision are allowed to participate. After the receipt of the notification of the Ministry of Finance, the BNB shall inform primary dealers on the terms of the extraordinary auction.

(4) Government securities may also be acquired in the primary market by other means as determined by the Minister of Finance in accordance with the effective legislation.

Article 10. (1) Only primary dealers participating in the GSAS may take part in the auctions.

(2) Primary dealers may participate in the auctions with competitive bids using sample forms according to the respective appendices to this Ordinance.

(3) Primary dealers may participate with competitive bids both on behalf and for the account of themselves and on behalf of themselves but for the account of their customers.

(4) By a decision of the Ministry of Finance primary dealers shall participate with non-competitive bids both on behalf and for the account of themselves and on behalf of themselves but for the account of their customers, which are not banks or investment intermediaries, including such from other member states.

(5) The auctions shall be conducted by the Commission under Article 8, paragraph 3.

Article 11. (1) Primary dealers may also participate in the auctions under Article 9 with bids for replacing government securities held by them and repurchased without a definite term under Article 38, paragraph 1.

(2) Bids for participation shall be competitive and shall be made under Article 13, paragraphs 1 and 2.

(3) The total nominal value of any bid shall be equal to the total nominal value of the bid for repurchase by replacement under Article 38, paragraph 1.

Article 12. Within three business days prior to each auction, the BNB shall notify the GSAS participants, based on the information received from the Ministry of Finance, on: the issue number of government securities, the offered quantity; the currency of the issue; the currency of payment on the issue; the interest rate for the respective period if they are interest-bearing; the dates of redemption of interest and the nominal value, the change, as the case may be, in the proportion of government securities offered for competitive and non-competitive bids; the change, as the case may be, in the maximum quantity of government securities which a participant with competitive bids may acquire (including when he participates on his own behalf but for the

account of his customers), as well as the terms for redemption of government securities should they be different from those under Article 15, paragraph 3.

(2) Where primary dealers participate in the auction with non-competitive bids pursuant to Article 10, paragraph 4, the proportion between competitive and non-competitive bids offered shall be 80 to 20 per cent of the total amount offered.

(3) The maximum quantity of government securities which a participant may acquire (including when he participates on his own behalf but for the account of his customers) with competitive bids shall be:

1. for short-term government securities – 15 per cent of the quantity earmarked for sale through competitive bids;
2. for medium-term government securities – 35 per cent of the quantity earmarked for sale through competitive bids;
3. for long-term government securities – 50 per cent of the quantity earmarked for sale through competitive bids.

(4) The Minister of Finance may determine proportions other than those specified under paragraphs 2 and 3 upon submission of the information under paragraph 1.

Article 13. (1) Primary dealers shall tender their bidding applications for participation in an auction within the time limits determined jointly by the Ministry of Finance and the BNB. The bids shall be sent to the BNB Fiscal Services Department. An entry check shall be immediately carried out of bids received, including a check for compliance with the format set in the appendices, a check of the key words identifying the respective requisites, and a check of the date and time of receipt. Where an error has been found, a message shall be sent to the primary dealer. The applications tendered may be changed by primary dealers until expiry of the deadline for their receipt. After that they shall be considered irrevocable. Only the last message received shall be deemed valid.

(2) The bidding application shall be drawn up in accordance with the sample forms in Appendices 4, 5, 6, 7, 8 and 9, and shall contain the following requisites:

1. number of the participant's current account with the BNB;
2. number of the issue of government securities the bid is made for, and in the cases under Article 11, paragraph 1, also the number of the government securities issue to be repurchased by replacement under Article 38, paragraph 1;
3. nominal value of the bid (in figures);
4. price/yield at which the bidder is ready to acquire government securities, expressed as a percentage of 100 units nominal value with two digits after the decimal point (in figures).

(3) Provided the bid is made for the account of a primary dealer's customer, in addition to the requisites under paragraph 2, it shall contain data about the customer for whose account the bid is made: for natural persons – the full name and identity number; for legal entities and sole proprietors – the company name and the identification code under the BULSTAT register.

(4) Provided the bid is made for the account of non-residents the documents specified in the appendices to this Ordinance shall contain the following:

a) for natural persons – the full name, type, series and number of the identity document, as well as the country of issue;

b) for legal entities registered abroad – the company's name, headquarters' address, number and date of registration, court of registration, *etc.*

(5) Non-competitive bids shall specify no price and yield. They shall be determined pursuant to Article 15, paragraph 5, item 2. The total nominal value of one non-competitive bid shall be at least BGN 50 and shall be a multiple of BGN 1 (for government securities issued in another currency: at least 50 and a multiple of 1). The total amount of non-competitive bids tendered by one primary dealer may not exceed the amount determined under Article 12. Provided this requirement is not met, the bids of the respective primary dealer shall not be admitted to the auction.

(6) A bidder shall be eligible to tender up to thirty competitive bids *per* auction, including bids on his own behalf but for the account of his customers. The total nominal value of a competitive bid shall be not less than BGN 1000 and shall be a multiple of BGN 1 (for government securities issued in another currency: not less than 1000 and a multiple of 1).

(7) Bids received under paragraph 1 shall be kept in a manner which ensures the secrecy of the bids until the auction is conducted.

Article 14. (1) On the day of the auction the Commission under Article 8, paragraph 3, shall verify the submitted bids and shall not allow those not complying with the requirements of this Ordinance to participate in the auction.

(2) The Commission under Article 8, paragraph 3 shall grade the competitive bids of primary dealers approved for the auction in a descending order according to the price tendered by the bidders or in an ascending order according to the yield tendered by the bidders within the maximum quantity of government securities which one participant may acquire under Article 12. Should there be bids of one and the same price, which is the minimum price set by the Ministry of Finance, or should there be bids of one and the same yield which is the maximum yield set by the Ministry of Finance, the bids shall be graded on a proportional principle through a coefficient formed as a ratio between the quantity remaining for distribution and the sum of these bids upon attainment of the quantity offered for competitive bids under Article 12. When calculating the coefficient, the sum of competitive bids approved and those participating in the proportional principle distribution may not exceed the maximum quantity which one participant may acquire under Article 12. Where the total amount of competitive bids filed by primary dealers is less than the quantity as determined under Article 12, the remainder shall be distributed among the non-competitive bids.

(3) Provided the total amount of non-competitive bids filed by primary dealers exceeds the quantity of government securities under Article 12, all bids received are distributed on a proportional principle upon attainment of the limit as specified in

Article 12. Provided the total amount of non-competitive bids filed by primary dealers is less than the quantity under Article 12, the remainder shall be distributed among the competitive bids;

(4) Bids approved on a proportional principle are rounded off so that the nominal value shall be a multiple of BGN 1 (for government securities issued in another currency: a multiple of 1). In case of remainder after rounding off, it shall be distributed as follows: provided the issue remains underbid, the remainder is added to the first classified bid but shall not exceed the quantity determined for one participant (if the limit is reached, the sum is added gradually to the next bids classified according to time); in cases of overbidding the issue, the remainder is deducted from the last bid classified according to time.

(5) The Minister of Finance may decide on non-admission of a particular participant with competitive bids or particular competitive bids to participate in the auction, or on rejection of all or approval of particular competitive bids. Classified bids shall be approved by the Minister of Finance or by a person designated by him and sent to the BNB.

(6) Based on the classified bids and the approval under paragraph 5, a report on the results of the conducted auction shall be drawn up by the Commission under Article 8, paragraph 3, and signed by all its members.

(7) The Commission under Article 8, paragraph 3 shall notify all bidders about the results of the auction in the time limits as determined jointly by the Ministry of Finance and the BNB.

(8) The unsold quantity of the issues offered for sale in the primary market at several auctions for which the Ministry of Finance has not approved the whole quantity offered at a particular auction shall be offered at the last auction announced for the relevant issue. Provided the whole offered quantity is not approved at the last auction, the announced total quantity of the issue shall be decreased by the unsold quantity. This procedure shall apply to the cases where the whole offered quantity at a particular auction is not sold due to the insufficient total amount of primary dealers' competitive and/or non-competitive bids.

Article 15. (1) Primary dealers whose bids have been approved, including when they participate in the auction with bids on their own behalf but for the account of their customers, are obliged to provide on the settlement date the required funds for the payment of the government securities acquired by them in their current accounts with the BNB in accordance with the time limits as determined jointly by the Ministry of Finance and the BNB.

(2) The requirements of paragraph 1 shall also apply to approved bids filed under Article 11, paragraph 1. In this case the required funds which primary dealers are obliged to provide on their current accounts with the BNB shall be the positive difference between the amount they shall have to pay for the government securities acquired by them and the amount that the Ministry of Finance shall have to pay for government

securities repurchased by replacement under Article 38, paragraph 1.

(3) The BNB shall *ex officio* debit the current accounts of the primary dealers whose bids have been approved with the amount of the government securities acquired by them against payment, whereas for those acquired by replacement also with the amount calculated under paragraph 2, on the second business day after the date of the auction. By a decision of the Minister of Finance, payment may be effected in other time limits preset in the terms and conditions of the auction under Article 12.

(4) Should the primary dealers whose bids have been approved have not the required funds on their current accounts on the settlement date to pay for the government securities, the BNB shall not effect the payment, respectively register the government securities, and the Fiscal Services Department shall notify in writing the Ministry of Finance. In such cases the Minister of Finance may exclude the primary dealer from the list of primary dealers.

(5) The government securities acquired at the auction shall be paid for as follows:

1. for competitive bids – at the price tendered in the bid; in the cases where the auction is based on yield, at the price corresponding to the yield tendered in the bid;
2. for non-competitive bids – at the average-weighted price, and, in the cases where the auction is based on yield, at the price corresponding to the average-weighted yield of the approved competitive bids.

(6) The date of effecting the settlement on the current accounts and accounts reporting government securities shall be considered to be the date of acquisition of the government securities.

(7) On the settlement date the BNB Fiscal Services Department, after closing the settlement on the current accounts and on the accounts reporting government securities, shall enter in its registers the government securities acquired by each bidder and all his customers. The Bulgarian National Bank shall maintain registers of ESROT participants.

(8) The following information shall be entered in the registers under paragraph 7:

1. number of issue;
2. date of issue;
3. current account with the BNB specified by the ESROT participant;
4. nominal value of the government securities held;
5. purchase price;
6. total amount of government securities held as of a particular date.

(9) In case of a purchase of government securities with a competitive or non-competitive bid where the customer for whose account the primary dealer participates in the auction has not paid the government securities within three business days after the issue date, the primary dealer shall notify the BNB in writing thereof. The government securities shall be acquired by the primary dealer which shall be entered in the register by the BNB under paragraph 7.

(10) The BNB shall *ex officio* effect payments on government securities acquired by ESROT participants in the primary market through a primary dealer chosen by them, directly debiting the current account with the BNB specified by the primary dealer, with the total amount of government securities acquired and shall record them in the register of the participant kept by the BNB. The provisions under paragraphs 1 and 4 shall apply to ESROT participants that have acquired government securities in the primary market through primary dealers chosen by them.

Chapter Three

Acquisition of Government Securities in the Secondary Market

Article 16. (1) Transactions made in the secondary market and entered in the registers under Article 15, paragraph 7 shall be as follows:

1. purchase and sale of government securities;
2. transfer of government securities without a flow on the current accounts with the BNB;
3. transfer of government securities based on repurchase agreements with a preset term, hereinafter referred to as ‘repo agreements’, which may be made both with or without a flow on the current accounts with the BNB.

(2) Transactions under paragraph 1 shall be entered in the registers under Article 15, paragraph 7 after completing the settlement on the current accounts and/or on the accounts reporting government securities.

Section I

Transactions in Government Securities between ESROT Participants

Article 17. (1) Registration of secondary market transactions shall be effected on the basis of instructions both from the acquirer and the transferor, addressed to the BNB, Fiscal Services Department.

(2) Instructions under paragraph 1 shall be drawn up according to a sample form (Appendix 10), and shall contain the following requisites:

1. name of transferor’s firm;
2. code of transferor’s government securities register/account with the BNB;
3. number of transferor’s current account with the BNB;
4. name of acquirer’s firm;
5. code of acquirer’s government securities register/account;
6. number of acquirer’s current account with the BNB;
7. number of the issue of government securities being transacted;

8. nominal value of transferred government securities (in figures) which shall be at least BGN 1 and shall be a multiple of BGN 0.01 (in the case of government securities denominated in foreign currency: at least 1 and a multiple of 0.01);

9. price (in figures) at which the government securities are transferred (acquired);

10. value date;

11. value date and price (in figures) of repurchase (repo agreements).

(3) In cases where instructions under paragraph 1 refer to a transfer of government securities without a flow on the current accounts with the BNB of the transferor and acquirer, no price shall be specified in the instruction.

(4) Instructions under paragraph 1 shall be sent to the BNB and shall be processed within the system day. Upon receipt, the instructions shall be subject to an entry check including a check for compliance with the format set in the appendices to this Ordinance, a check of key words identifying the respective requisites, and a check of the date and time of receipt. Where an error has been found, the instruction shall be rejected and the participant shall be informed thereof. Participants may file new instructions for the same transactions but only those instructions that have successfully passed the entry check shall be admitted to further processing.

Article 18. Upon a successful entry check under Article 17, paragraph 4, the BNB shall compare the data and match the instructions. Within the system day the participants may cancel instructions with unmatched data. Provided that by the end of the system day the data in the instructions are still unmatched, the instructions shall be rejected and the participants shall be informed thereof.

(2) Upon matching the instructions, they shall become irrevocable. The BNB shall check the registers under Article 15, paragraph 7 as to whether the transferor owns the government securities that are the subject of the transaction and whether the said securities are blocked. The same check-up shall also be made on the value date of the repurchase.

(3) Should it find that the provisions of paragraph 2 are not fulfilled by the end of the system day, the BNB, Fiscal Services Department, shall not register the transaction, forthwith advising the parties concerned about the reasons for the refusal.

(4) Should it find that the provisions of paragraph 2 are fulfilled, the BNB shall *ex officio* debit the acquirer's account and credit the transferor's account with an amount equal to the price specified in the instruction of the transaction, and shall record in the registers pursuant to Article 15, paragraph 7 the flow of government securities at the value date as stated in the instructions. In the cases under Article 17, paragraph 3, no settlement operations shall be effected on the acquirer's and transferor's current accounts, and only the flow of government securities shall be recorded in the register.

(5) Should it find that the acquirer does not have the required funds on his current account with the BNB at the close of the system day, the BNB shall refuse to effect the settlement, respectively to register the transaction, and the Fiscal Services Department shall advise the parties concerned about the reasons for the refusal.

Article 19. At the request of ESROT participants, the BNB shall provide them with a statement from the registers under Article 15, paragraph 7, stating the amount and flow of the government securities held by them.

Section II

Transactions in Government Securities between ESROT Participants and their Customers and between Customers of ESROT Participants

Article 20. (1) The transactions under Article 16, paragraph 1, items 2 and 3 without a flow on current accounts between participants and their customers and between participants' customers shall be entered in the registers of ESROT participants under Article 15, paragraph 7 kept by the BNB.

(2) Participants shall notify the BNB, Fiscal Services Department, no later than at the close of the system day of the value date, the number of issue and the nominal value of the government securities transferred to their customers, respectively repurchased by them prior to maturity of the securities and the value date of the repurchase (sale) in the event of preliminary agreement thereof (Appendices 11 and 12).

(3) Participants having a contract with the Ministry of Finance for sale of target government securities to investors (natural persons) shall notify the BNB Fiscal Services Department in the time limits, as set in the contract of the conducted government securities transactions as follows:

1. for government securities sold by them – the number of issue, total nominal value, the actual selling price and the average selling price *per* BGN 100 nominal value (Appendix 13);

2. for government securities repurchased by them – date of repurchase transaction; the number of issue, nominal value, the actual purchasing price and the purchasing price *per* BGN 100 nominal value (Appendix 14).

(4) Where government securities are transferred by a participant's customer to another participant, the latter shall send a request to effect the transaction (Appendix 15) addressed to the BNB and to the participant recording government securities of the transferring customer.

(5) Where government securities are transferred by a participant to a customer of another participant, the transferor shall send a request to effect the transaction (Appendix 16) addressed to the BNB and to the participant recording government securities of the acquiring customer.

(6) Should any customer of a participant wish government securities held by him to be recorded by another participant, the latter shall send a request to effect the transaction (Appendix 17) addressed to the BNB and to the participant recording government securities of the transferring customer.

(7) Should any customer of a participant wish to transfer government securities held by him to a customer of another participant, the latter shall send a request to effect the transaction (Appendix 18) addressed to the BNB and to the participant recording government securities of the transferring customer.

(8) In the cases of transactions under paragraphs 4, 6 and 7, the participant recording government securities of the transferring customer, and for transactions under Article 5, the participant recording government securities of the acquiring customer shall by the close of the system day on the required value date send a request to effect the transaction under the appendices provided for in Article 20, paragraphs 4, 5, 6 and 7.

Article 21. (1) Upon receipt of notifications under Article 20, paragraphs 2 and 3 and requests to effect transactions under Article 20, paragraphs 4, 5, 6, 7 and 8, an entry check shall be immediately carried out, including a check for compliance with the format set in the appendices, a check of key words identifying the respective requisites, and a check of the date and time of receipt. Where an error has been found, the notification/request shall be rejected and a message shall be sent to the participant. Participants may send new notifications/requests for the same transaction, but only those which have successfully passed the entry check shall be further processed.

(2) Upon receipt of the requests under Article 20, paragraphs 4, 5, 6, 7 and 8 for processing, the BNB shall compare the settlement details in order to ensure that they agree. Participants may cancel requests with unmatched data within the system day. Where, by the end of the system day, the data are still unmatched, the requests shall be rejected and the participants shall be notified of the reasons thereof.

(3) Where the preconditions under paragraph 1 for the notifications under Article 20, paragraphs 2 and 3 are present and in case the request data under paragraph 2 match, the requests shall become irrevocable. The Bulgarian National Bank shall check the registers under Article 15, paragraph 7 as to whether the transferor owns the government securities that are the subject of the transaction. The same check-up shall also be made on the value date of the repurchase/sale. Where the transferor owns the government securities that are the subject of the transaction, the BNB shall enter in the registers under Article 15, paragraph 7 the changes made and shall specify the nominal value of government securities transferred or acquired by each participant or his customers.

(4) Provided the transferor does not have the sufficient quantity of government securities that are the subject of the transaction by the end of the system day, the BNB shall not enter the transaction in the register and shall immediately notify the participants of the reasons for its refusal.

Article 22. (1) ESROT participants may send requests and notifications for registering government securities transactions under Article 17, paragraph 1 and Article 20, paragraphs 2, 3, 4, 5, 6, 7 and 8 before the value date on which the transaction is to be effected. The received requests and notifications shall immediately be subject to an entry check under Article 17, paragraph 4 and Article 21, paragraph 1. Where an error

has been found, the notification/request to effect a transaction shall be rejected, and a message shall be sent to the participant. Those notifications/requests which have successfully passed the entry check shall be kept by the value date on which they are to be effected.

(2) On the required value date requests and notifications entered under paragraph 1 shall be submitted for further processing under Article 18 and Article 21, paragraphs 2, 3 and 4.

Article 23. The ESROT participants that are not government securities subdepositories shall notify their subdepository bank of the government securities which the said participants have transferred to their customers, respectively have repurchased by them prior to maturity under this Ordinance. Notifications shall contain all the terms of the transaction by customer and shall be immediately sent upon successful recording of the transaction in the registers kept by the BNB under Article 15, paragraph 7. The responsibility for preparation and timely submission of the notifications, their grounds and authenticity of the information shall be entirely borne by the ESROT participant that is not a subdepository.

Article 24. (1) Subdepositories of government securities shall maintain systems for registering government securities wherein individual government securities accounts are kept to record government securities held by their customers and the customers of ESROT participants, that are not subdepositories, on the basis of a contract concluded with the participant.

(2) Unless otherwise stated in the legislative acts regulating record activities, subdepositories shall keep data in the registration systems for an unlimited period of time.

Article 25. (1) Subdepositories of government securities shall issue registered certificates solely to natural persons. At the request of legal entities, their customers and the customers of ESROT participants, that are not subdepositories, the subdepositories of government securities shall provide them with statements from the individual accounts kept by the registration systems under Article 24.

(2) The certificate under paragraph 1 shall be drawn up on a special paper, size 21/15, according to a sample (Appendix 19), and shall contain:

1. the inscription 'certificate';
2. the certificate number;
3. the subdepository – issuer of the certificate;
4. information about the acquirer:
 - a) for Bulgarian citizens – the full name and identity number;
 - b) for non-residents – the full name according to the identity document, the type, series and number of the identity document, as well as the country of issue;
5. the number and date of the issue of government securities which are the subject of the transaction;

6. the nominal value of the government securities held (in figures and in words);
7. the interest rate on the government securities;
8. dates of interest payments;
9. the maturity of the government securities;
10. a space for noting down interest paid (on the reverse of the certificate);
11. the date and place of issuance of the certificate;
12. the signature and seal of the issuing subdepository.

(3) The certificate shall be issued in duplicate, an original and a copy; the original of the certificate shall be given to the acquirer and the copy of the certificate shall be kept by the subdepository within five years after the maturity date of the government securities. Where the acquirer is a customer of an ESROT participant, that is not a subdepository, the original of the certificate may be transmitted to the participant who duly transmits it to the customer. All stamps, signatures and seals under this Ordinance shall be put both on the original and the copy of the certificate.

(4) Subdepositories of government securities shall also record in the registration systems kept by them under Article 24 data on the holders of certificates under paragraph 2, data on the interest paid by the Ministry of Finance, repayment of government securities installments with redemption schedule, as well as data from the identity document of the person who has received interest payments.

(5) In sales of government securities earmarked for investors, natural persons (target issues), a registered certificate shall be issued to the acquirer on a special paper, size 21/16, according to the sample of Appendix 20, which shall in addition to the information under items 1–12 of paragraph 2 contain the following requisites:

1. the inscription '*Ministry of Finance of the Republic of Bulgaria*';
2. the type of government securities;
3. the date of issue;
4. the repurchase terms and conditions.

Article 26. (1) Natural persons and legal entities may transfer the acquired government securities to other persons. The transfer shall be effected in the presence of the two parties to the transaction that shall sign a declaration on transfer of government securities ownership in three copies (Appendix No. 21).

(2) Transactions on the transfer of government securities by customers (natural persons) shall be entered in the register under Article 24, to be effective in respect of the subdepository – the certificate issuer.

(3) Where government securities are transferred by natural persons under paragraph 1, the subdepository shall issue a new certificate to the acquirer of government securities under Article 25, paragraphs 1 and 2 respectively paragraph 5 upon submission of the original of the certificate issued to the transferor, and if only part of the securities is to be transferred – the subdepository (the issuer of the former certificate) shall issue a new certificate to the transferor for the remainder. The original of the

former certificate shall be stamped 'invalid', signed by the officer, sealed, and returned to the transferor by the subdepository (the issuer of the old certificate). Subdepositories shall reflect the changes in their registration systems under Article 24.

Article 27. (1) The Ministry of Finance shall issue certificates under Article 25, paragraph 1 and/or paragraph 5 to subdepositories of government securities, including those having a contract with the Ministry of Finance for sale of target government securities.

(2) Subdepositories of government securities, that have stopped performing the functions of subdepositories, shall within five business days submit to the Ministry of Finance unused certificates, a statement from the registration system under Article 24 and copies of the certificates issued, which shall be subsequently transmitted by the Ministry of Finance to the selected subdepository.

Article 28. Subdepositories of government securities shall submit to the Ministry of Finance information about government securities held by their customers and ESROT participants' customers that are not subdepositories for statistical purposes in the established format and in accordance with the set time frame.

Article 29. (1) Requests and notifications for registration of government securities transactions under this Chapter and under Article 34 shall be accepted until 12.00 p. m. and shall be processed until 1.00 p. m. of the system day preceding the maturity of the respective government securities issue or interest payments on it. Transactions in government securities denominated in foreign currency under this Chapter and under Article 34 shall be discontinued two business days prior to the maturity of the government securities issue or interest payments on it.

(2) The Minister of Finance may effect transactions under Article 16.

(3) All requests and notifications for registration of government securities transactions under this Chapter and under Article 34, for which the required value date is not a business day, or a government securities issue is falling due, shall be rejected and the participant shall be informed thereof.

(4) The nominal value of government securities transferred under this Chapter shall be at least BGN 1 and shall be a multiple of BGN 0.01 (in the case of government securities denominated in foreign currency: at least 1 and a multiple of 0.01);

Chapter Four

Pledge of Government Securities

Article 30. (1) Where government securities issued by the Minister of Finance are pledged pursuant to the Law on Registered Pledges, the government securities shall be blocked.

(2) Any person keeping a register of government securities under Article 15, paragraph 7 and Article 24 shall create a register wherein circumstances of the government securities pledged shall be entered.

(3) If upon receipt of request for a pledge registration the person keeping the register of government securities under this Ordinance establishes that the pledger does not own the government securities specified in the request, the said registration shall be refused.

Article 31. (1) Upon maturity of interest and principal payments, the pledge shall be transferred onto claims on pledged government securities. Foreclosure of the claims on the pledged government securities shall be executed pursuant to the Law on Registered Pledges.

(2) The manner of interest and principal payments on the pledged government securities shall be established by virtue of a trilateral contract concluded between the person keeping the register of government securities, the pledger and the creditor pledgee. The trilateral contract shall be signed together with the request for the pledge registration thereof.

Article 32. Registration of requests for a pledge of government securities and changes thereof shall be discontinued two business days prior to the maturity of the respective issue of government securities or interest payments thereon.

Article 33. (1) Disposition transactions in the pledged government securities may be conducted by the pledger solely with the consent of the creditor pledgee.

(2) Consent to conduct disposition transactions in pledged government securities shall be deemed given by the creditor pledgee upon filing a request for unblocking thereof to the person keeping the register of government securities pursuant to this Ordinance.

(3) Upon filing a request for blocking of the pledged government securities filed by the creditor pledgee to the person keeping the register of government securities pursuant to this Ordinance, disposition with the said government securities by the pledger shall be discontinued.

(4) Blocking and unblocking of government securities shall be recorded in the government securities registers kept under this Ordinance after completing the settlement on the accounts reporting government securities.

Article 34. Blocking and unblocking operations may be furthermore effected beyond the cases of government securities registered pledge within the term provided for in Article 29, paragraph 1.

Chapter Five

Redemption of Government Securities and Interest Thereon

Article 35. (1) The Ministry of Finance shall provide the necessary funds for the redemption of government securities and interest thereon on an account opened with the BNB not later than one business day prior to redemption dates thereof.

(2) Payments on government securities (the nominal value, principal and/or interest, *etc.*) shall be effected on the dates specified in the terms and conditions of the

respective issue.

(3) Where the date under paragraph 2 is not a business day, the payment shall be effected on the next business day.

(4) Upon maturity of the respective issue of government securities or interest payments thereon, the BNB, on the basis of the registers under Article 15, paragraph 7, shall establish the amount of the government securities entered on behalf of each participant in the ESROT and shall transfer to a current account with the BNB specified by the ESROT participant the funds necessary for the redemption of the government securities held by them and their customers within the term set jointly by the Ministry of Finance and the BNB.

(5) Subdepositories of government securities shall repay interest and the nominal value of the government securities transferred to their customers – natural persons, and to the customers of ESROT participants, that are not subdepositories, upon submission of the originals of the certificates which they have issued. Repayment of interest shall be certified by a signature of the official who has effected the payment, and by the seal of the subdepository on the space specified in the original certificate, with an indication of the date of payment and the amount of interest paid. Upon repayment of the nominal value, the original of the certificate shall be stamped ‘paid up,’ signed by the official who has effected the payment, sealed by the subdepository, and returned to the customer.

(6) Subdepositories of government securities shall repay interest and the nominal value of the government securities, to their customers – legal entities, and to the customers of ESROT participants, that are not subdepositories, based on the registration systems’ data under Article 24 with value date at maturity (interest payment).

(7) Upon repayment of government securities installments with redemption schedule, the subdepository shall issue a new certificate for the unpaid nominal value to the acquirer; the original certificate shall be stamped ‘invalid.’ Repayment of the installment shall be entered in the register under Article 24.

Article 36. (1) Upon maturity of the respective issue of government securities or interest payments thereon, the Bulgarian National Bank shall not transfer to the account specified by an ESROT participant the funds necessary for the repayment of the government securities under Article 35, paragraphs 4, 5 and 6 where measures against the ESROT participant under Article 6, paragraph 1 have been initiated, and there is a justified proposition by the Minister of Finance thereof driven by information of a delay or inability of the said ESROT participant to fulfill his obligations under Article 35, paragraphs 4, 5 and 6;

(2) The Ministry of Finance in coordination with the BNB shall determine the subdepository that will effect payments on government securities and interest thereon to customers of the participant under paragraph 1, provided he is a subdepository. No later than five business days upon request by the Ministry of Finance the subdepository under paragraph 1 must submit to the Ministry of Finance unused certificates, a state-

ment from the registration system under Article 24 and the non-original copies of the certificates as issued, which shall be given by the Ministry of Finance to the respective subdepository as determined.

(3) Where an ESROT participant under Article 1 is not a subdepository, payments of government securities and interest thereon to customers shall be effected by the subdepository with whom the participant has concluded a contract. The Bulgarian National Bank shall enter in the registers under Article 15, paragraph 7 the transfer of the said government securities in the name of the subdepository as determined, and shall transfer the funds necessary to effect payments under Article 35, paragraph 4.

Article 37. (1) In case the original of the registered certificate is lost, the titleholder shall notify in writing the the subdepository – the certificate issuer who shall issue a duplicate under Article 25, paragraphs 1 and 2, correspondingly paragraph 5, declare null and void the originally issued certificate which shall be noted down in the registration system under Article 24, and the copy of the certificate shall be stamped 'invalid'.

(2) Payment of government securities and interest thereon shall be effected on the basis of the duplicate as issued and the data of the registration system under Article 24.

(3) Where a titleholder under paragraph 1 is a customer of an ESROT participant, that is not a subdepository, the notification of a lost certificate, correspondingly the new original certificate, may be handed and/or accepted by the ESROT participant that duly hands the certificate to the customer.

Chapter Six

Repurchase of Government Securities prior to Maturity

Article 38. (1) Repurchase of government securities with or without a definite term prior to maturity shall be effected by a decision of the Minister of Finance at the GSAS auctions held by the BNB by replacing them with government securities of a new issue, and/or by redemption of the nominal value and interest thereon.

(2) Repurchase auctions shall be held by the Commission under Article 8, paragraph 3.

(3) Bids for participation in the auctions shall be competitive. Only primary dealers holding government securities from the issues announced for repurchase may participate in the auctions under paragraph 1.

(4) Primary dealers may participate with competitive bids on their own behalf but for the account of their customers only if the repurchase is effected without a fixed term.

Article 39. (1) The repurchase of government securities with or without fixed term prior to maturity may be effected in other manners determined by the Minister of Finance in accordance with the effective legislation.

(2) By a decision of the Minister of Finance only primary dealers holding government securities from the issues announced for repurchase may participate in the repurchase under paragraph 1.

Article 40. (1) Within three business days prior to each repurchase auction, the BNB shall notify the GSAS participants, based on the information received from the Ministry of Finance, of the terms under which the repurchase will be effected. By a decision of the Minister of Finance, the BNB may notify the GSAS participants of the information received from the Ministry of Finance in another time limit.

Article 41. (1) Primary dealers shall tender their bidding applications for participation in a repurchase auction in the time limits as established jointly by the Ministry of Finance and the BNB. Bids shall be sent to the BNB Fiscal Services Department. An entry check shall be immediately carried out of bids received, including a check for compliance with the format set in the appendices, a check of key words identifying the respective requisites, and a check of the date and time of receipt. Where an error has been found, a message shall be sent to the primary dealer. The applications tendered may be changed by primary dealers until expiry of the deadline for their receipt. After that they shall be considered irrevocable. Only the last message received shall be deemed valid.

(2) The bidding application shall be drawn up according to the sample forms in Appendices 22, 23, 8, 9 and 24 and shall contain the following requisites:

1. bidder's current account with the BNB;
2. number of the issue, announced for repurchase;
3. total nominal value of the government securities bid for repurchase (in figures);
4. price/yield/annual interest rate at which the bidder expects the government securities to be repurchased, expressed as a percentage of BGN 100 nominal value with two digits after the decimal point (in figures);

(3) Where the bid is made on the account of the primary dealer's customer, in addition to requisites under paragraph 2 it shall contain information about the customer for the account of whom the bid is made:

a) for natural persons – the full name and the identity number (for non-residents – information under Article 13, paragraph 4, item 'a');

b) for legal entities – the company name, identification code under the BULSTAT register (for legal entities registered abroad – information pursuant to Article 13, paragraph 4, item 'b');

(4) In cases of repurchase of government securities by replacement, in addition to requisites under paragraph 2 the bid shall contain the number of issue by which the replacement is made.

(5) In cases of repurchase of government securities with a fixed term against payment, in addition to requisites under paragraph 2 the bid shall contain the auction date and the term of repurchase in days.

(6) A bidder shall be eligible to tender up to 30 competitive bids *per* a repurchase auction, including bids on his own behalf but for the account of his customers.

(7) The total nominal value of a bid shall be not less than BGN 1 and shall be a multiple of BGN 0.01 (in the case of government securities denominated in foreign currency: at least 1, a multiple of 0.01).

(8) Bids received under paragraph 1 shall be kept in a manner which ensures the secrecy of the bids until the repurchase auction is conducted.

Article 42. (1) On the auction day the Commission shall carry out a check and shall not admit to the auction the bids which do not comply with the requirements of this Ordinance.

(2) The Commission shall grade the primary dealers' bids approved for the repurchase auction in an ascending order according to the price tendered by the bidders or in a descending order according to the tendered annual interest rate or yield.

(3) Should there be bids of one and the same price, which is the maximum price, or an annual interest rate or yield which is the minimum interest rate or yield set by the Ministry of Finance, the bids shall be graded proportionally to the quantity remaining for distribution upon attainment of the Ministry of Finance offer pursuant to Article 40 and in compliance with the procedure provided for in Article 14, paragraphs 2 and 4. Classified bids shall be approved by the Minister of Finance or by a person designated by him, and shall be sent to the BNB.

(4) Should there be bids for repurchase of government securities by replacement with government securities of a new issue, bids shall be classified only if the applications for acquisition of government securities of the new issues have been approved.

(5) The Minister of Finance may not admit to the repurchase auction a particular bidder with competitive bids or particular competitive bids and may reject all or respectively approve particular bids. Classified bids shall be approved by the Minister of Finance or by a person designated by him and shall be sent to the BNB.

(6) Based on the classified bids and the approval under paragraph 5, a report on the results of the conducted auction shall be drawn up by the Commission and signed by all its members.

(7) The Commission shall notify all bidders about the results of the auction in the time limits as established jointly by the Ministry of Finance and the BNB.

(8) Bidders in the repurchase auction by replacement, whose bids have been approved, shall receive government securities of the new issue under preset terms and conditions.

(9) In case of a repurchase by replacement, the BNB shall enter in its registers the government securities repurchased by each bidder, as well as the acquired government securities of the new issue after completing the settlement on the current accounts and/or on the accounts reporting government securities.

Article 43. (1) Settlement operations between the successful bidders in the repurchase auction and the Ministry of Finance shall be effected by the Bulgarian National

Bank *ex officio* according to the terms and conditions determined by the Ministry of Finance.

(2) In case of repurchase by replacement the BNB shall effect operations under Article 1 by crediting/debiting the accounts of the bidders in the repurchase auction and of the Ministry of Finance with the balance between the total value of government securities acquired by the bidders from the new issue and the total amount of repurchased government securities by the Ministry of Finance.

Chapter Seven

Government Securities Replacement Subscription

Article 44. (1) Government securities replacement subscription hereinafter referred to as ‘replacement subscription’ shall be organized and conducted by the BNB *via* GSAS by a decision of the Minister of Finance.

(2) Replacement subscription shall be conducted by the Commission under Article 8, paragraph 3.

(3) Primary dealers may participate in replacement subscription with bids both on their own behalf and for their own account, and on behalf of themselves but for the account of their customers, using sample forms according to the respective appendices to this Ordinance.

Article 45. No later than three business days before the initiation of replacement subscription the BNB shall communicate to the primary dealers the information received by the Ministry of Finance about the numbers of the issues of government securities that are the subject of replacement subscription; the date of announcement and the deadline for submission of bids for participation in the replacement subscription, the date of replacement; the minimum bid limit for a participant in case it is different from the one specified under Article 46, paragraph 4; the amount of interest incurred on government securities that are the subject to subscription; issue terms and conditions in case the replacement is conducted using new issue/issues of government securities; the date on which the conversion exchange rate for the replacement shall be set.

Article 46. (1) Primary dealers shall tender their bidding applications for participation in a replacement subscription in the time limits determined by the Ministry of Finance. The bids shall be sent to the BNB Fiscal Services Department. An entry check shall be immediately carried out of bids received, including a check for compliance with the format set in the appendices to this Ordinance, a check of key words identifying the respective requisites, and a check of the date and time of bid receipt. Where an error has been found, a message shall be sent to the primary dealer. The bids tendered may be changed by primary dealers until expiry of the deadline for their receipt. After that they shall be considered irrevocable. Only the last message received shall be deemed valid.

(2) The bidding application shall be drawn up in accordance with the sample forms in Appendices 25 and 26, and shall contain the following requisites:

1. bidder's current account with the BNB;
2. number of the issue of government securities announced for subscription;
3. number of the issue with which the subscription shall be conducted;
4. nominal value of the government securities announced for subscription (in figures);

(3) Provided the bid is made for the account of a primary dealer's customer, in addition to the requisites under paragraph 2, it shall contain data about the customer for whose account the bid is made: for natural persons – the full name and identity number; for legal entities and sole proprietors – the company name and the identification code under the BULSTAT register; for non-residents – the information under Article 13, paragraph 4.

(4) The total nominal value of a competitive bid shall be not less than BGN 50 and shall be a multiple of BGN 1 (for government securities issued in another currency: not less than 50 and a multiple of 1).

(5) The Minister of Finance may determine a minimum bid limit for a participant other than the one specified under paragraph 4 upon announcing the terms and conditions for replacement subscription under Article 45.

(6) A primary dealer shall be eligible to tender an unlimited number of bids *per* replacement subscription, including bids on his own behalf but for the account of his customers.

(7) By the start of the business day on the date of replacement each participant shall hold the government securities that are the subject of the replacement subscription. Government securities bid for replacement subscription should not be blocked in favour of a third party. Primary dealers shall keep their customers' (natural persons) ownership certificates of the government securities bid for replacement.

(8) Bids received under paragraph 1 shall be kept in a manner which ensures the secrecy of the bids until the replacement subscription is conducted.

Article 47. (1) Upon expiry of the deadline for sending bidding applications for participation in replacement subscription the Commission under Article 8, paragraph 3 shall verify the submitted bids and shall not allow those not complying with the requirements of this Chapter to participate in the subscription.

(2) Classified bids shall be approved by the Minister of Finance and sent to the BNB.

(3) Based on the approval by the Minister of Finance or by a person designated by him, a report on the results of the conducted replacement subscription shall be drawn up by the Commission under Article 8, paragraph 3 and signed by all its members.

(4) The Commission under Article 8, paragraph 3 shall notify all bidders about the results of the replacement subscription in the time limits as determined jointly by the Ministry of Finance and the BNB.

Article 48. The Minister of Finance reserves his right to decide on rejection of all or approval of particular bids for replacement subscription.

Article 49. (1) The Bulgarian National Bank shall communicate to the primary dealers of government securities the information received by the Ministry of Finance about the conversion exchange rate at which the replacement shall be conducted. The notification shall be sent not later than one business day after the day for which the conversion exchange rate is calculated.

(2) Conversion exchange rate shall be the ratio between the currencies of government securities that are the subject of the replacement, on the basis of the quoted BNB exchange rates on the date specified by the Ministry of Finance in the terms and conditions for conducting the replacement subscription under Article 45. The conversion exchange rate shall be expressed with five digits after the decimal point following the principle of mathematical rounding.

(3) Differences resulting from government securities replacement shall be rounded up, so that the nominal value of acquired government securities shall be a multiple of BGN 1. Interest payments and differences resulting from rounding of government securities, denominated and payable in foreign currency, shall be effected in their lev equivalents. Accrued interest shall be expressed with two digits after the decimal point.

Article 50. (1) Primary dealers whose bids have been approved, including when they participate in the replacement subscription with bids on their own behalf but for the account of their customers, are obligated to provide on the subscription date the required funds in their current accounts with the BNB in accordance with the time limits as determined jointly by the Ministry of Finance and the BNB.

(2) On the subscription date and within the time limits determined jointly by the Ministry of Finance and the BNB, the latter shall *ex officio* debit the current accounts of the primary dealers whose bids have been approved, including bids for the account of their customers, with the lev equivalent of the differences under Article 49, paragraph 3; shall *ex officio* credit/debit the accounts of the Ministry of Finance and the participants in the replacement subscription whose bids have been approved for effecting interest payments accrued from the date of issue/last interest payment to the date of subscription.

(3) After effecting the settlement on the current accounts and accounts reporting government securities the Bulgarian National Bank shall enter in its registers government securities subject to replacement subscription. The date of effecting the settlement shall be considered the date of replacement of government securities.

Article 51. Should the primary dealers whose bids have been approved in accordance with the time limits as determined jointly by the Ministry of Finance and the BNB, have not the required government securities that are the subject of the replacement subscription or funds on their current accounts on the date of subscription, the BNB shall not effect the payment, respectively register the government securities, and the Fiscal Services Department shall notify in writing the Ministry of Finance. In such

cases the Minister of Finance may exclude the primary dealer from the list of primary dealers.

Article 52. In case of a subscription of government securities, the customer for whose account the primary dealer participates in the replacement subscription has not paid the government securities within three business days after the replacement date, the primary dealer shall notify the BNB in writing thereof. The government securities subject to the replacement shall be acquired by the primary dealer which shall be entered in the register under Article 15, paragraph 7 by the BNB.

Additional Provisions

§ 1. Within the meaning of this Ordinance:

1. ‘member state’ shall be the state that is a member of the European Union or any other state of the European economic area.

2. ‘delivery versus payment’ shall be the simultaneous transfer of the funds from the buyer to the seller, and of government securities *vice versa*: from the seller to the buyer;

3. ‘blocking’ shall be a prohibition against disposition of government securities;

4. ‘unblocking’ shall be invalidation of the prohibition against disposition of government securities.

5. ‘system day’ shall a preset period of time within the business day determined by the Ministry of Finance and the BNB, during which requests and notifications for registering transactions in government securities shall be accepted and processed.

Transitional and Final Provisions

§ 2. This Ordinance is issued in accordance with Article 36, paragraph 1 of the Law on the Government Debt and enters into force as of 1 November 2007.

§ 3. This Ordinance repeals Ordinance No. 5 of 2002 on the Terms and Procedure for Issuance, Acquisition and Redemption of Book-entry Government Securities (Darjaven Vestnik, issue 119 of 2002; amended, issue 67 of 2003, issue 101 of 2004, issue 38 of 2006).

§ 4. (1) Upon the entry of this Ordinance into force the incumbent ESROT participants wishing to preserve their status shall file an application for participation in ESROT accompanied by all required documents under Article 5 until 16 November 2007. The approved participants shall sign an agreement for participation in ESROT until 30 November 2007.

(2) Participation in the ESROT of persons who have not signed an agreement for participation in ESROT under Article 5, paragraph 6 until 30 September 2007 shall be discontinued as of 1 December 2007 and these persons may not participate in GSAS.

§ 5. Prior to signing the agreement for participation in ESROT under § 4, primary dealers under § 3 of Ordinance No. 15 of 2007 shall act as primary dealers and subdepositories pursuant to this Ordinance.

§ 6. (1) Within five business days after signing the agreement for participation in ESROT, primary dealers under § 3 of Ordinance No. 15 of 2007, that are not subdepositories of government securities, shall submit to the Ministry of Finance unused certificates, a statement from the registration system under Article 24 of this Ordinance and copies of the certificates issued, which shall be subsequently transmitted by the Ministry of Finance to the subdepository selected by the primary dealer.

(2) Within five business days after 30 November 2007, primary dealers under § 3 of Ordinance No. 15 of 2007 that have not signed an agreement for participation in ESROT shall submit to the Ministry of Finance unused certificates, a statement from the registration system under Article 24 of this Ordinance and copies of the certificates issued, which shall be subsequently transmitted by the Ministry of Finance to the subdepository selected by the primary dealer.

§ 7. Government securities denominated in levs and foreign currency with a total nominal value multiple of 0.01 shall be kept at BNB registers under Article 15, paragraph 7 and by subdepositories under Article 24.

§ 8. After 5 July 1999 the use of government securities in privatization under the procedure of CM Decree No. 221 of 1995 (Darjaven Vestnik, issue 105 of 1995) and for repayment of the obligations to the government arising under the Law on Settlement of Non-performing Credits Negotiated Prior to 31 December 1990 under the procedure of CM Decree No. 22 of 1995 (Darjaven Vestnik, issue 12 of 1995) shall be accompanied by certificates issued in redenominated nominal value.

§ 9. The certificates printed under Article 15, paragraph 2, item 4 of the repealed Ordinance No. 5 of 1996 shall be used until the depletion of their quantity completing the information about the acquirer under Article 25, paragraph 2 of this Ordinance.

§ 10. Participants in ESROT that are not subdepositories of government securities may represent their customers before the subdepository bank in accordance with contracts concluded with the customer and the bank.

§ 11. The Minister of Finance and the Governor of the BNB give methodological instructions on the enactment of this Ordinance.

Appendix 1
to Article 5, paragraph 2

To the Bulgarian National Bank, Fiscal Services Department	Name of the applicant	
APPLICATION for Inclusion in ESROT		
Registered office and address:		
Type of the applicant:		
<input type="checkbox"/>	Bank:	
	<input type="checkbox"/> Subdepository bank	
	<input type="checkbox"/> Bank	
<input type="checkbox"/>	Investment intermediary	
<input type="checkbox"/>	Other:	
	<input type="checkbox"/> BNB	
	<input type="checkbox"/> MF	
	<input type="checkbox"/> Reserve Guarantee Fund	
	<input type="checkbox"/> Central Securities Depository	
	<input type="checkbox"/> A central bank of the ESCB	
	<input type="checkbox"/> Other	
The applicant will provide the following investment services/activities:		
<input type="checkbox"/>	Government securities transactions on one's own account	
<input type="checkbox"/>	Government securities transactions on behalf and for the account of customers	
Subdepository bank: *		
No. of an account with the BNB used for cash settlement purposes: **		
<input type="checkbox"/>	Own account:	
<input type="checkbox"/>	Account of the bank – payment agent:	
Appendices:		
1. A certificate of actual standing under Article 5, paragraph 2, item 1 of Ordinance No. 5		
2. A copy of the license for an investment intermediary/bank		
3. A specimen of signatures of the persons authorized to represent the participant under Article 5, paragraph 2 of Ordinance No. 5		
4. An application for opening government securities accounts under Ordinance No. 31 of the BNB		
5. A declaration of the cash settlement agent (Appendix 2)		
6. A declaration of a subdepository bank (Appendix 3)		
7. Data for the purposes of communication: SWIFT address of the participant; data on universal electronic signature certificates of the authorised system users; a list of the contact persons involved in solving problems related to government securities transactions		
Place and date of submission		Signatures of the persons authorized to represent the institution

* Investment intermediaries and banks whose license does not include activities under Article 2, paragraph 2, item 4 of the Law on Credit Institutions shall specify a subdepository bank.

**Banks shall specify the number of their current accounts with the BNB, while investment intermediaries may choose one of the two options provided for in Article 5, paragraph 3 of Ordinance No. 5.

DECLARATION

by
(name of the Bank whose account will be used for cash settlement purposes)

Herewith we declare that our current account with the BNB,
IBAN may be *ex officio* credited and deb-
ited by the BNB with regard to the cash settlement of government securities trans-
actions conducted by (name of
the ESROT participant) in the primary and secondary markets, including *ex officio*
collection by the BNB of all fees and commissssions due in compliance with the
BNB Tariff on the Fees and Commisssons Charged on Government Securities
Transactions.

- Signatures
1.
(name and position of the person
representing the Bank)
 2.
(name and position of the person
representing the Bank)

Appendix 3
to Article 5, paragraph 5

DECLARATION

by
(name of the subdepository bank)

Herewith we declare that we have a contract concluded with
.....
(name of the ESROT participant)

Under this contract we will perform functions of a subdepository of government securities issued by the Government of the Republic of Bulgaria on the domestic market with respect to the customers of the above ESROT participant.

- Signatures: 1.
(name and position of the person
representing the Bank)
2.
(name and position of the person
representing the Bank)

Appendix 4
to Article 13, paragraph 2

**Competitive Bid on One's Own Account for Participation in an
Auction for Sale Against Payment**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Nominal value	<i>3,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>
Nominal value	<i>1,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.46/7.21</i>

Appendix 5
to Article 13, paragraph 2

Competitive Bid on Customer's Account for Participation in an Auction for Sale Against Payment

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Customer's data	<i>natural person 5303125633 Ivan Pavlov Ivanov</i>
Nominal value	<i>3,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>
Customer's data	<i>legal entity 999999999 Company "AAAAA"</i>
Nominal value	<i>3,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.9849/6.20</i>
Customer's data	<i>bank or investment intermediary 111111111 Bank "BBBBBB"</i>
Nominal value	<i>3,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>99.49/5.01</i>
Customer's data	<i>non-resident 222222222 "SSSSSSSS" Data under Article13, paragraph 4</i>

Appendix 6
to Article 13, paragraph 2

**Non-competitive Bid on One's Own Account for
Participation in an Auction for Sale Against Payment**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000,</i>

Appendix 7
to Article 13, paragraph 2

**Non-competitive Bid on Customer's Account for
Participation in an Auction for Sale Against Payment**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000,</i>
Customer's data	<i>natural person</i> <i>5303125633</i> <i>Ivan Pavlov Ivanov</i>
Nominal value	<i>5,000,000</i>
Customer's data	<i>legal entity</i> <i>999999999</i> <i>Company "AAAAA"</i>
Nominal value	<i>5,000,000,</i>
Customer's data	<i>non-resident</i> <i>222222222</i> <i>"SSSSSSS"</i> <i>Data under Article 13,</i> <i>paragraph 4</i>

Appendix 8
to Article 13, paragraph 2 and Article 41, paragraph 2

**Competitive Bid on One's Own Account for
Participation in a Repurchase Auction without
Definite Term/Sale through Replacement**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
No. of the issue by which replacement is made	<i>BG9876543210</i>
Nominal value	<i>1,300,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Nominal value	<i>2,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>

Appendix 9
to Article 13, paragraph 2 and Article 41, paragraph 2

**Competitive Bid on Customer's Account for
Participation in a Repurchase Auction without
Definite Term/Sale through Replacement**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
No. of the issue to be replaced with	<i>BG9876543210</i>
Nominal value	<i>1,300,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Customer's data	<i>natural person</i> <i>5303125633</i> <i>Ivan Pavlov Ivanov</i>
Nominal value	<i>2,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>
Customer's data	<i>legal entity</i> <i>999999999</i> <i>Company "AAAAA"</i>
Nominal value	<i>2,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.99/6.20</i>
Customer's data	<i>bank or</i> <i>investment intermediary</i> <i>111111111</i> <i>Bank "BBBBBB"</i>
Nominal value	<i>4,000,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>99.48/7.20</i>
Customer's data	<i>non-resident</i> <i>222222222</i> <i>"SSSSSSSSS"</i> <i>Data under Article 13,</i> <i>paragraph 4</i>

Appendix 10
to Article 17, paragraph 2

Instruction for Transaction

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Transferor	<i>Commercial Bank 'A'</i>
Code of the register/account for transferor's government securities	<i>9251011100</i>
Current account of the transferor with the BNB	<i>1000010244</i>
Acquirer	<i>Commercial Bank 'B'</i>
Code of the register/account for acquirer's government securities	<i>9251022200</i>
Current account of the acquirer with the BNB	<i>1000010100</i>
Nominal value	<i>10,000,000</i>
Price	<i>9,320,210</i>
Value date of the repo transaction	<i>17/02/2005</i>
(To be filled in case of a preliminary agreement)	
Price	<i>9,803,150</i>

Appendix 11
to Article 20, paragraph 2**Notification under Article 20, Paragraph 2**

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Participant – transferor	<i>Commercial Bank ‘A’</i>
Participant’s code of the register/account for own government securities	<i>9251011100</i>
Participant’s code of the register/account for customer’s government securities	<i>9252011100</i>
Current account with the BNB	<i>1000010100</i>
Nominal value	<i>10,000,000</i>
Value date of the reverse repurchase (To be filled in if preliminary agreed upon)	<i>17/02/2005</i>

Appendix 12
to Article 20, paragraph 2

Notification under Article 20, Paragraph 2

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Participant – acquirer	<i>Commercial Bank ‘A’</i>
Participant’s code of the register/account for customer’s government securities	<i>9252011100</i>
Participant’s code of the register/account for own government securities	<i>9251011100</i>
Current account with the BNB	<i>1000010100</i>
Nominal value	<i>10,000,000</i>
Value date of the reverse sale	
(To be filled in if preliminary agreed upon)	<i>17/02/2005</i>

Appendix 13
to Article 20, paragraph 3, item 1

**Notification under Article 20, Paragraph 3, Item 1
on Sales of Target Government Securities to Natural
Persons for the Period –**

Participant	<i>Commercial Bank 'A'</i>
Participant's code of register/account for customer's government securities	<i>9252011100</i>
Current account with the BNB	<i>1000010100</i>
Issue No.	<i>BG2210098112</i>
Nominal value	<i>16,500</i>
Actual selling value	<i>17,164.95</i>
Average selling price <i>per</i> 100 units nominal value	<i>104.03</i>

Appendix 14
to Article 20, paragraph 2

**Notification under Article 20, Paragraph 3, Item 2
on Repurchases of Target Government Securities
from Natural Persons**

Date of repurchase	29.10.1998
Participant	<i>Commercial Bank 'A'</i>
Participant's code of register/account for customer's government securities	9252011100
Current account with the BNB	1000010100
Issue No.	BG2210098112
Nominal value	7300
Actual purchasing value	7,464.25
Purchasing price <i>per</i> 100 units nominal value	102.25

Appendix 15
to Article 20, paragraph 4

Request for Government Securities Transfer under Article 20, Paragraph 4

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Participant keeping register of government securities of the transferring customer	<i>Commercial Bank 'A'</i>
Participant's code of register/account for customer's government securities	<i>9252011100</i>
Current account with the BNB	<i>1000010244</i>
Nominal value	<i>10,000,000</i>
Acquiring participant	<i>Commercial Bank 'B'</i>
Acquirer's code of register/account for own government securities	<i>9251022200</i>
Current account of the acquirer with the BNB	<i>1000010100</i>

Appendix 16
to Article 20, paragraph 5

Request for Government Securities Transfer under Article 20, Paragraph 5

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Transferring participant	<i>Commercial Bank 'A'</i>
Participant's code of register/account for own government securities	<i>9251011100</i>
Current account with the BNB	<i>1000010244</i>
Nominal value	<i>10,000,000</i>
Participant keeping register of government securities of the acquiring customer	<i>Commercial Bank 'B'</i>
Participant's code of register/account for customer's government securities	<i>92520222200</i>
Current account of the participant with the BNB	<i>1000010100</i>

Appendix 17
to Article 20, paragraph 6

Request for Government Securities Transfer under Article 20, Paragraph 6

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Participant keeping a register of government securities of the customer	Commercial Bank 'A'
Participant's code of register/account for customer's government securities	<i>9252011100</i>
Current account with the BNB	<i>1000010244</i>
Nominal value	<i>10,000,000</i>
Participant that customer's government securities are transferred to	Commercial Bank 'B'
Participant's code of register/account for customer's government securities	<i>9252022200</i>
Current account with the BNB	<i>1000010100</i>

**Request for Government Securities Transfer under
Article 20, Paragraph 7**

Value date of the transaction	<i>15/02/2005</i>
Issue No.	<i>BG3010096005</i>
Participant keeping	
a register of the transferring customer	<i>Commercial Bank 'A'</i>
Participant's code of register/account for customer's government securities	<i>9252011100</i>
Current account with the BNB	<i>1000010244</i>
Nominal value	<i>10,000,000</i>
Participant keeping	
a register of the acquiring customer	<i>Commercial Bank 'B'</i>
Participant's code of register/account for customer's government securities	<i>92520222200</i>
Current account with the BNB	<i>1000010100</i>

Appendix 19
to Article 25, paragraph 2

C E R T I F I C A T E N o .
of holding government securities

.....
(data about the acquirer of government securities)

government securities, issue No. maturity
(issue No. and date) (date)

of nominal value BGN
(in figures) (in words)

at interest rate
(interest rate on government securities, fixed, floating)

dates of interest payments

.....
(date and place of issue)

.....
(signature and seal of the issuer)

Reverse side of the certificate

Space for noting down interest paid

Appendix 20
to Article 25, paragraph 5

**MINISTRY OF FINANCE OF
THE REPUBLIC OF BULGARIA**

**C E R T I F I C A T E No.
of holding government securities**

..... (government securities type)		
..... (data about the acquirer of government securities)		
..... (issue No.) (issue date) (maturity date)
..... (government securities nominal value: in figures, in words, currency)		
..... (interest rate on government securities)		
..... (dates of interest payments)		
..... (repurchase terms and conditions)		
..... (certificate issuer)		
..... (date and place of issue) (signature and seal of the issuer)	

Reverse side of the certificate

Space for noting down interest paid

Appendix 21
to Article 26, paragraph 1

**Declaration on Transfer of Government
Securities Right to Ownership**

I,.....
(full name)

identity card, series.....No., issued on by,
personal identification number (No. of the identity card),
hereby declare that I have transferred to
(full name)

*hereby declare that I have transferred to
.....
(company and identification code under BULSTAT)

* represented by
(full name)

identity card, series No., issued on by
.....,
personal identification number (No. of the identity card)
on behalf and for the account of *
the ownership on government securities of issue No. /
....., in the amount of
(date of issue)

..... total nominal value.
(in figures and in words)

Certificate No.

..... Transferor:
(date) (signature)
Acquirer:
(signature)

* To be filled in for legal entities only.

Appendix 22
to Article 41, paragraph 2

**Competitive Bid on One's Own Account for
Participation in a Repurchase Auction without
a Definite Term against Payment**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000,</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Nominal value	<i>2,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>

Appendix 23
to Article 41, paragraph 2

**Competitive Bid on a Customer's Account for
Participation in a Repurchase Auction without
a Definite Term against Payment**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue for which the auction is held	<i>BG1234567890</i>
Nominal value	<i>1,300,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>101.46/5.20</i>
Customer's data	<i>natural person 5303125633 Ivan Pavlov Ivanov</i>
Nominal value	<i>2,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.48/7.20</i>
Customer's data	<i>legal entity 999999999 Company "AAAAA"</i>
Nominal value	<i>2,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>98.99/6.20</i>
Customer's data	<i>bank or investment intermediary 111111111 Commercial bank "BBBBBB"</i>
Nominal value	<i>4,000,000</i>
Price/yield <i>per</i> 100 units nominal value of the issue for which the auction is held	<i>99.48/7.20</i>
Customer's data	<i>non-resident 222222222 "SSSSSS" Data under Article 13, paragraph 4</i>

Appendix 24
to Article 41, paragraph 2

**Competitive Bid on One's Own Account for
Participation in a Buyback Auction with a Definite
Term against Payment (Repo Auction)**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue	<i>BG1234567890</i>
Auction date	<i>20040109</i>
Repurchase term, days	<i>1</i>
Nominal value	<i>1,300,000</i>
Annual interest rate	<i>5.20</i>
Nominal value	<i>2,000,000</i>
Annual interest rate	<i>5.25</i>

Appendix 25
to Article 46, paragraph 2

**Bid on One's Own Account in a Replacement
Subscription**

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue announced for replacement	<i>BG1234567890</i>
No. of the issue to be replaced with	<i>BG9876543210</i>
Nominal value	<i>1,300,000</i>

Appendix 26
to Article 46, paragraph 2

Bid on a Customer's Account in a Replacement Subscription

Current account of the participant with the BNB	<i>1000010001</i>
No. of the issue announced for replacement	<i>BG1234567890</i>
No. of the issue to be replaced with	<i>BG9876543210</i>
Nominal value	<i>1,300,000</i>
Customer's data	<i>natural person 5303125633 Ivan Pavlov Ivanov</i>
Nominal value	<i>3,000,000</i>
Customer's data	<i>legal entity 999999999 Company "AAAAA"</i>
Nominal value	<i>3,000,000</i>
Customer's data	<i>bank or investment intermediary 111111111 Bank "BBBBBB"</i>
Nominal value	<i>3,000,000</i>
Customer's data	<i>non-resident 222222222 "SSSSSSS" Data under Article 13, paragraph 4</i>

