

Ordinance No. 13

of 16 July 2009

on the Application of International Bank Account Numbers and Bank Codes

(Issued by the Bulgarian National Bank; published in the Darjaven Vestnik, issue 62 of 4 August 2009, effective as of 1 November 2009; amended, Darjaven Vestnik, issue 55 of 2011)

Chapter One

General Provisions

Article 1. (1) This Ordinance shall set out the application of International Bank Account Numbers (IBANs) and bank codes.

(2) IBAN shall mean an alphanumerical sequence used internationally to uniquely identify each individual bank account held by each customer of each bank.

(3) (amended; Darjaven Vestnik, issue 55 of 2011) Business Identifier Code (BIC) shall mean an alphanumerical sequence used internationally to uniquely identify business units: financial and non-financial institutions.

(4) BAE codes shall uniquely identify Banking Addressable Entities (BAEs) within the Republic of Bulgaria.

Chapter Two

IBAN Structure

Article 2. IBANs in use within the Republic of Bulgaria shall have an overall length of 22 characters and comprise these elements (see also Appendix No. 1):

1. a country code of BG;
2. a check digit comprising two numerals whose application methodology is set out within Appendix No. 2;
3. a Basic Bank Account Number or BBAN which uniquely identifies each customer account within the Republic of Bulgaria.

Article 3. (1) BBAN shall have an overall length of 18 alphanumerical characters and comprise these elements:

1. a BAE code comprising:
 - a) (amended; Darjaven Vestnik, issue 55 of 2011) a bank identifier of four characters being the first four characters of the existing Business Identifier Code (BIC) of the bank and which shall uniquely identify each bank;
 - b) a BAE identifier of four numerical characters which shall uniquely identify each BAE within a bank;

2. an account identifier of two numerical characters which shall identify the type of account and where some combinations may be retained for executive use by the Bulgarian National bank (BNB) which shall determine their significance;

3. the remaining eight alphanumeric characters shall follow a semantic logic which the bank shall determine.

(2) Each bank shall assess the facility of using letters as characters under the provisions of Article 1, item 3 herein above.

Article 4. (1) Characters used within IBAN shall be Arabic numerals from 0 to 9 and Latin script capital letters from A to Z.

(2) When effecting transfers, IBAN shall be expressed:

1. in electronic form as a sequence of 22 characters without separations;

2. in paper form as a sequence of 22 characters divided from left to right into groups of four characters each and separated by spaces and where the last group shall be incomplete.

Chapter 3

Relations between Banks and Their Customers as Regards IBAN and BIC

Article 5. (1) Banks shall generate and use IBAN as set out within this Ordinance.

(2) Banks shall generate an IBAN to each new account at a simultaneous time with the opening of such account.

(3) Each bank shall be responsible for the correct generation of each IBAN.

Article 6. (1) Each bank shall communicate to holders of new accounts in writing of their account's IBAN at the same time as the account is opened.

(2) Where IBANs are changed by the bank, the latter shall communicate in writing to titleholders of existing accounts their new IBANs.

(3) (amended; Darjaven Vestnik, issue 55 of 2011) Each bank shall communicate to each customer upon request his International Bank Account Number (IBAN) and that bank's Business Identifier Code (BIC).

(4) (amended; Darjaven Vestnik, issue 55 of 2011) Each bank shall indicate in all reports on relevant accounts communicated by the bank to the customer his IBAN and the Business Identifier Code (BIC).

Article 7. (1) The customer shall communicate in the payment order submitted to the bank the IBAN and BIC required for performing the payment services.

(2) For all cross-border invoicing of goods and services within the European Union, a supplier who accepts payment by transfer shall communicate to his customers the IBAN and the BIC in the invoice.

Article 8. (1) Each bank shall conduct checks as to the validity of the check digits of the IBANs of originators and beneficiaries as set out within the payment order and shall do so as prescribed in the Method of Validating the Check Digits set out within Appendix No. 3.

(2) Where validity checks determine errors, then banks may refuse to process the respective payment order.

Chapter Four

Banking Addressable Entity (BAE) and BAE Code Assignment

Article 9. (1) A bank shall be assigned a BAE code by the BNB prior to its inclusion within the payment systems it has applied to participate in.

(2) At the request of a bank, the BNB shall assign a BAE code to a branch of the bank or any other place of activity.

(3) Banking addressable entities may not use BAE codes in their operations other than those assigned to them by the BNB.

(4) Procedures on assigning and activating and modifying and closing BAE codes shall be set out by the Deputy Governor heading the BNB Banking Department in an instruction.

(5) BAE codes shall be assigned within seven business days from receipt at the BNB of complete sets of relevant documents.

(6) BAE codes shall be activated upon successful testing of technical, technological and information readiness for BAE inclusion within the payment systems the bank has applied to participate in.

Article 10. (1) The Bulgarian National Bank shall advise the respective operators of and participants in the payment systems as to names and precise address and BAE codes and also as to the day upon which BAE shall be fully entitled to access to relevant systems for servicing of payments. Advice shall be sent also where BAE codes are changed or closed.

(2) The Bulgarian National Bank shall keep a Register of BAE codes.

(3) Banks shall notify the BNB without delay as to each change to BAE status which may call for entries to be made in the Register as set out in paragraph 2 herein above in order to enable necessary changes to be entered into the Register and for payment system participants to be advised.

(4) The notification under paragraph 3 about a change to the status of a BAE code, assigned pursuant to Article 9, paragraph 2 shall be sent by the bank.

Additional Provisions

§ 1. For the purposes of this Ordinance:

1. A Banking Addressable Entity or BAE shall mean a bank, a bank branch or any other place where banking may be conducted within the Republic of Bulgaria.

2. A BAE code shall mean a code assigned by the BNB and comprising an alpha-numerical sequence which shall uniquely identify each BAE within the Republic of Bulgaria.

3. (amended; Darjaven Vestnik, issue 55 of 2011) A Business Identifier Code or a BIC shall mean a code assigned by the S.W.I.F.T. (Society for Worldwide Interbank Financial Telecommunication) to a bank pursuant to ISO Standard No. 9362.

4. A Register of BAE Codes shall mean a publicly accessible database which shall contain BAE codes assigned by the BNB and also information on banking addressable entities.

5. A check digit shall mean a numerical code which shall serve in formal checks as to the precision of the entries of IBANs used by banks within the Republic of Bulgaria.

6. Within the meaning of this Ordinance a bank shall mean a bank licensed by the BNB to conduct bank operations, a bank branch from a third country licensed by the BNB under Article 17 of the Law on Credit Institutions and a bank branch from a Member State conducting operations within the Republic of Bulgaria under the procedure of Article 20 and Article 21 of the Law on Credit Institutions.

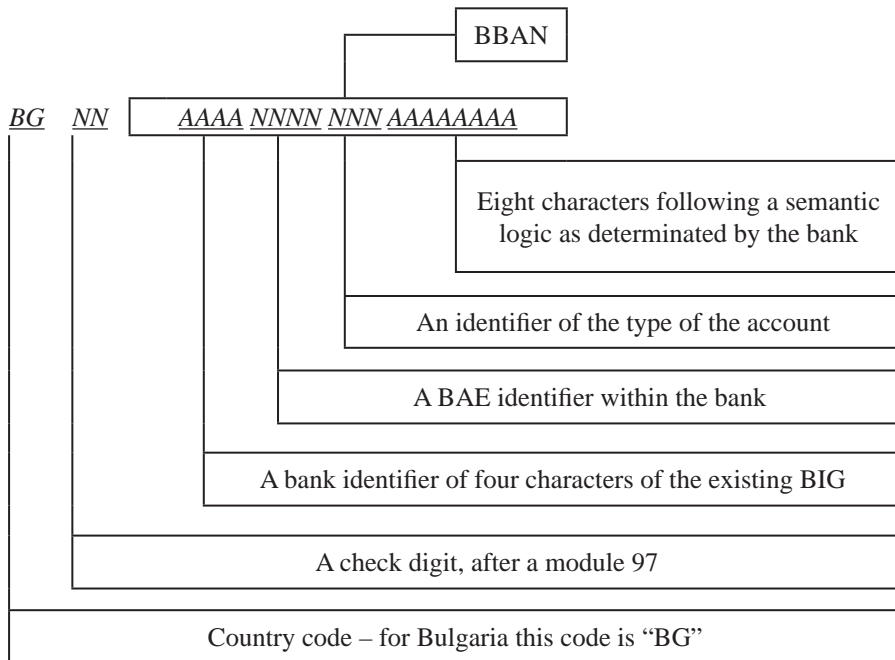
Transitional and Final Provisions

§ 2. This Ordinance shall repeal Ordinance No. 13 of 2005 on the application of international bank account numbers and bank codes (published in the Darjaven Vestnik, issue 36 of 2005; amended, issue 15 of 2006).

§ 3. This Ordinance is issued on the grounds of § 11 of the Transitional and Final Provisions of the Law on Payment Services and Payment Systems adopted by Resolution No. 87 of 16 July 2009 of the Governing Council of the Bulgarian National Bank and shall enter into force on 1 November 2009.

§ 4. The Deputy Governor of the Bulgarian National Bank heading the Banking Department shall issue instructions on the enactment of this Ordinance.

Structure of IBANs in Bulgaria



N shall mean an Arabic numeral from 0 to 9

A shall mean a capital letter in the Latin script from A to Z or an Arabic numeral from 0 to 9

Appendix No. 2
to Article 2, item 2

The Method of Calculating the Check Digits

Preliminary Phase: Create an artificial IBAN which includes the country code and 00 as a check digit and BBAN.

Example: BG00AAAA12311012345678

Phase 1: Move the first four characters (the country code and 00 being the check digit) to the end of the IBAN.

Example: BG00AAAA12311012345678 becomes AAAA12311012345678BG00

Phase 2: Convert any letters into numerics using this conversion table:

A = 10	G = 16	M = 22	S = 28	Y = 34
B = 11	H = 17	N = 23	T = 29	Z = 35
C = 12	I = 18	O = 24	U = 30	
D = 13	J = 19	P = 25	V = 31	
E = 14	K = 20	Q = 26	W = 32	
F = 15	L = 21	R = 27	X = 33	

Example: AAAA12311012345678BG00 becomes 1010101012311012345678111600

Phase 3: Apply a Module 97 calculation of check digits by:

- dividing the Phase 2 result by 97;
- subtracting the remainder from 98;
- where the result is a single number, setting a zero before it.

Example: left over after dividing 1010101012311012345678111600 by 97: 65.

Subtraction: $98 - 65 = 33$. This IBAN's Check Digit is 33. The resulting IBAN is BG33AAAA12311012345678.

The Method of Validating the Check Digits

Preliminary phase: Where IBAN is in paper format, convert the paper format into electronic format by removing all separations.

Example: IBAN BG33 AAAA 1231 1012 3456 78 becomes BG33AAAA12311012345678.

Phase 1: Move the first four characters (country code and check digit) to the end of the IBAN.

Example: BG33AAAA12311012345678 becomes AAAA12311012345678BG33

Phase 2: Convert letters into numerics using the conversion table shown in Appendix No. 2 herein above.

Example: AAAA12311012345678BG33 becomes 1010101012311012345678111633

Phase 3: Apply the Module 97 system for validation of check digits. For the check digit to be correct the remainder after the Module 97 calculation must be 1.

Example: The number left over after a Module 97 calculation of 1010101012311012345678111633 is 1.

**Ordinance on Amendment of Ordinance No. 13 of 2009 on
the Application of International Bank Account Numbers and
Bank Codes**

(published in the Darjaven Vestnik; issue 55 of 2011)

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Final Provision

§ 5. This Ordinance is issued on the grounds of § 11 of the Transitional and Final Provisions of the Law on Payment Services and Payment Systems and is adopted by Resolution No. 64 of 7 July 2011 of the Governing Council of the Bulgarian National Bank.