

**Ordinance No 45\***  
**of the BNB**  
**of 17 April 2025**  
**on the Establishment and Regulation of the Bulgarian**  
**National Bank's Legal Relationships with Monetary**  
**Policy Counterparties**

(Published in the Darjaven Vestnik, issue 37 of 2 May 2025, effective from the date of entry into force of the Law on the Bulgarian National Bank (published in the Darjaven Vestnik, issue 13 of 13 February 2024), except for § 3, which shall enter into force one month after the date of adoption of the Decision of the Council of the European Union abrogating the derogation of the Republic of Bulgaria, on the grounds of Article 140(2) of the TFEU)

*Chapter One*  
**GENERAL PROVISIONS**

*Subject*

**Article 1.** This Ordinance shall regulate the procedure by which the Bulgarian National Bank (BNB), as part of the European System of Central Banks and the Eurosystem, establishes and regulates its legal relationships with counterparties in the Eurosystem monetary policy in accordance with the Treaty on the Functioning of the European Union, the Statute of the European System of Central Banks and of the European Central Bank and the applicable acts of the European Central Bank (ECB).

*Chapter Two*  
**LEGAL RELATIONSHIPS BETWEEN THE BNB AND ITS**  
**MONETARY POLICY COUNTERPARTIES**

*General Terms and Conditions of the Bulgarian National Bank for the*  
*Implementation of the Eurosystem Monetary Policy*

**Article 2.** The legal relationships between the BNB and its counterparties under the Eurosystem monetary policy shall be governed by a contract in accordance with the BNB General Terms and Conditions for the Implementation of the Eurosystem Monetary Policy (BNB General Terms and Conditions), adopted by the BNB Govern-

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ing Council, which introduce the requirements of Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (Guideline on General Documentation), as well as the requirements of other applicable European Union acts in the field of the Eurosystem monetary policy.

*Monetary Policy Counterparty. Eligibility Criteria for Eurosystem Monetary Policy Operations*

**Article 3.** (1) A BNB monetary policy counterparty shall be an institution that meets the eligibility criteria specified in paragraph 2 and to which the BNB has granted access to the Eurosystem monetary policy operations in accordance with Article 4.

(2) Eligible for participation in the Eurosystem monetary policy operations shall be institutions that meet the following criteria:

1. they shall be subject to the Eurosystem's minimum reserve system pursuant to Article 19.1 of the Statute of the European System of Central Banks and of the European Central Bank, and shall not have been granted an exemption from their obligations under the Eurosystem's minimum reserve system pursuant to Council Regulation (EC) No 2531/98 of 23 November 1998 concerning the application of minimum reserves by the European Central Bank and Regulation (EU) 2021/378 of the European Central Bank of 22 January 2021 on the application of minimum reserve requirements (ECB/2021/1);

2. they shall be one of the following:

(a) subject to at least one form of harmonised Union/European Economic Area (EEA) supervision by competent authorities in accordance with Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (Directive 2013/36/EU) and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Regulation (EU) No 575/2013);

(b) publicly-owned credit institutions, within the meaning of Article 123(2) of the Treaty on the Functioning of the European Union, subject to supervision of a standard comparable to supervision by competent authorities under Directive 2013/36/EU and Regulation (EU) No 575/2013;

(c) institutions subject to non-harmonised supervision by competent authorities of a standard comparable to harmonised Union/EEA supervision by competent authorities under Directive 2013/36/EU and Regulation (EU) No 575/2013, e.g. branches established in Member States whose currency is the euro, of institutions incorporated outside the EEA. For the purpose of assessing an institution's eligibility to participate in Eurosystem monetary policy operations, as a rule, non-harmonised supervi-

sion shall be considered to be of a standard comparable to harmonised Union/EEA supervision by competent authorities under Directive 2013/36/EU and Regulation (EU) No 575/2013, if the relevant Basel III standards adopted by the Basel Committee on Banking Supervision are considered to have been implemented in the supervisory regime of a given jurisdiction;

3. they shall be financially sound according to a financial stability assessment carried out by the BNB based on the information and criteria specified in Appendix No 2 to this Ordinance;

4. they shall fulfil all operational requirements specified by the BNB or the ECB with respect to the specific instrument or operation.

(3) The criteria described in Appendix No 3 to this Ordinance shall apply to the selection of counterparties for open market operations carried out by means of quick tender procedures.

### *Providing Access to Eurosystem Monetary Policy Operations*

**Article 4.** (1) An institution established in Bulgaria that wishes to participate in the Eurosystem monetary policy operations shall submit an application for admission as a Eurosystem monetary policy counterparty to the Deputy Governor in charge of the Issue Department, using the form set out in Appendix No 1 to this Ordinance. The application shall be signed by persons authorised to represent the institution.

(2) Within 14 days of receiving the application and all necessary documents, the BNB shall conduct a study of the institution's compliance with the eligibility criteria established in Article 3, paragraph 2, and shall provide a response to the applicant institution on the application for admission as a counterparty for the BNB's monetary policy.

(3) When carrying out the study under paragraph 2, the BNB may request the applicant institution or another central bank to provide additional documents or information to certify compliance with the eligibility criteria. The period under paragraph 2 shall be suspended for the period during which the additional documents requested are provided.

(4) The Bulgarian National Bank shall grant access to the Eurosystem monetary policy operations if the applicant institution has submitted all required information and documents, if any, and if, in the opinion of the BNB, the applicant institution meets the eligibility criteria under Article 3, paragraph 2.

(5) The Bulgarian National Bank shall not grant the applicant institution access to the Eurosystem monetary policy operations, if, in the opinion of the BNB, the institution does not meet the eligibility criteria under Article 3, paragraph 2 or if it has not submitted the required documents, if they are incorrect or their content is contradictory or if other requirements of applicable acts of the European Central Bank are not met.

(6) The granting of access, respectively the refusal to grant access, shall be carried out by the Deputy Governor of the BNB in charge of the Issue Department, after consultation with the Banking Supervision Department and the Banking Department.

(7) In the event that the BNB does not grant access to the applicant institution, upon a change in the circumstances on the basis of which access was not granted, the institution may submit a new application for admission.

### *Agreement for Participation in Monetary Policy Operations*

**Article 5.** (1) For granting access to the Eurosystem monetary policy operations, the BNB and the respective counterparty shall conclude a framework agreement, by which the counterparty accepts and agrees to apply the BNB General Terms and Conditions.

(2) In the event of amendments to the Eurosystem monetary policy framework and/or to the BNB General Terms and Conditions, the BNB shall notify its counterparties thereof, indicating the moment at which such amendments enter into force and are applied between the parties.

### *Payment Denomination*

**Article 6.** All payments related to Eurosystem monetary policy operations, other than payments in foreign currency under foreign exchange swap agreements for monetary policy purposes, shall be made in euro.

### *Termination upon Default*

**Article 7.** In the event of default by a counterparty on any of the transactions concluded on the basis of the framework agreement between the BNB and the counterparty, the BNB may prematurely terminate all uncompleted transactions between them and collect its receivables (including through netting).

### *Notifications and Other Messages*

**Article 8.** (1) All notifications or other communications between the BNB and monetary policy counterparties shall be made in writing and/or in electronic form. The delivery of notifications or other communications and the moment at which they take effect shall be regulated in the BNB General Terms and Conditions.

(2) Notifications for the imposition of remedies under Article 17 or sanctions under Article 18 shall be signed by the Deputy Governor in charge of the Issue Department and shall enter into force at the time specified in the notification.

### *Rights of Third Parties*

**Article 9.** (1) The rights and obligations of the counterparty arising from this Ordinance, the BNB General Terms and Conditions, the framework agreement, and/or the transactions concluded on their basis may not be transferred, used as collateral,

novated or be the subject of another transaction carried out by the counterparty without the prior written consent of the BNB.

(2) The rights and obligations under the transactions concluded on the basis of this Ordinance, the BNB General Terms and Conditions and the framework agreement shall arise only for the BNB and the relevant counterparty.

(3) Transactions between the BNB and the relevant counterparty may give rise to relations between the BNB and another national central bank (NCB) and/or the ECB:

1. arising out of the cross-border use of eligible assets; and
2. where necessary for operations effected with counterparties acting through an intermediary institution.

### *Applicable Law and Jurisdiction*

**Article 10.** (1) For the unresolved issues in the contracts between the BNB and its counterparties, concluded in accordance with this Ordinance and the BNB General Terms and Conditions, the rules of the current Bulgarian legislation shall apply, except for cases where the cross-border use of eligible assets requires the application of another law.

(2) Without prejudice to the jurisdiction of the Court of Justice of the European Union, disputes between the BNB and its counterparties shall be subject to the jurisdiction of the Bulgarian courts.

## *Chapter Three*

### **VERIFICATIONS**

#### *Verification of the Procedures and Systems used to Provide Information on Credit Claims*

**Article 11.** (1) The Bulgarian National Bank shall carry out an initial verification of the appropriateness of the procedures and systems used by the counterparty in providing information on credit claims to the Eurosystem before the first mobilisation of credit claims by the counterparty. The verification of the procedures and systems shall subsequently be conducted at least once every five years or in the event of significant changes to such procedures or systems.

(2) If the BNB determines that the procedures and systems used by the counterparty are no longer adequate for providing information on credit claims to the Eurosystem, the BNB has the right to partially or fully suspend the mobilisation of credit claims from the counterparty until a new verification of the appropriateness of the procedures and systems used by the counterparty for providing information on credit claims to the Eurosystem has been carried out.

### *Verification of the Existence of Credit Claims*

**Article 12.** For the purposes of verifying the existence of credit claims mobilised as collateral, each counterparty of the BNB shall be required to:

1. submit to the BNB a written confirmation every three months, certifying the following information:

(a) the existence of the credit claims;

(b) the compliance of the credit claims with the eligibility criteria applied by the Eurosystem;

(c) that the credit claims are not used at the same time as collateral in favour of a third party and that the counterparty will not mobilise these credit claims as collateral against a third party;

(d) that it undertakes to notify the BNB no later than the end of the next business day of any event that has a material impact on the contractual relationship between the counterparty and the BNB, in particular early, partial or full repayment, deterioration in quality and material changes in the terms of the loan;

2. present in relation to credit claims mobilised as collateral, where applicable, the relevant identifiers of the analytical credit data set (AnaCredit) in accordance with the statistical reporting requirements under Regulation (EU) 2016/867 of the European Central Bank of 18 May 2016 on the collection of granular credit and credit risk data (ECB/2016/13).

### *Random Checks*

**Article 13.** (1) The Bulgarian National Bank shall carry out random checks regarding the quality and accuracy of the written confirmations of the counterparties, and may request relevant documents and information or conduct on-site inspections. The information verified in respect of each credit claim shall cover, at a minimum, the characteristics that determine the existence and eligibility of the claim.

(2) For counterparties with internal rating-based systems approved by the Eurosystem credit assessment framework, additional checks shall be performed on the credit quality assessment of credit claims, including checks on the probability of default of the debtors of the credit claims, which were used as collateral in Eurosystem credit operations.

### *Provision of a Report from an Auditing Firm, Registered Auditor*

**Article 14.** For the purposes of Articles 11 and 13, upon request by the Bulgarian National Bank, the counterparty shall provide a report on the relevant audit carried out by an auditing firm, a registered auditor under the Independent Financial Audit and Sustainability Assurance Act.

*Provision of Information by Counterparties*

**Article 15.** The BNB's counterparties in the Eurosystem monetary policy shall be obliged to provide the BNB with any necessary information in connection with the Eurosystem monetary policy operations.

*Chapter Four***DEFAULT***Automatic and Discretionary Events of Default*

**Article 16.** (1) Automatic events of default by the counterparty shall be as follows:

1. a decision is made by a competent judicial or other authority to implement, in relation to the counterparty, a procedure for the winding-up of the counterparty or the appointment of a liquidator or analogous officer over the counterparty, or any other analogous procedure; for the purposes of this item 1, the taking of crisis prevention measures or crisis management measures within the meaning of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council (Directive 2014/59/EU) against a counterparty shall not qualify as an automatic event of default;

2. the counterparty becomes subject to freezing of funds and/or other measures, including restrictive measures, imposed by the Union under Article 75, Article 215 or similar relevant provisions of the Treaty on the Functioning of the European Union restricting the counterparty's ability to use its funds;

3. the counterparty is no longer subject to the Eurosystem minimum reserve system;

4. the counterparty is no longer subject to harmonised Union/EEA supervision or comparable supervision;

5. the counterparty becomes a wind-down entity as defined in this Ordinance.

(2) Discretionary events of default on behalf of the counterparty shall be as follows:

1. a decision is made by a competent judicial or other authority to implement, in relation to the counterparty, an intervention measure, other than under paragraph 1, item 1, restricting its business activities, including a moratorium, or a reorganisation measure or other analogous procedure intended to safeguard or restore the financial situation of the counterparty and to avoid a decision of the type referred to in paragraph 1, item 1, being taken;

2. the counterparty no longer fulfils any of the BNB's operational requirements referred to in this Ordinance, the instructions issued on the basis of the Ordinance

and/or the BNB General Terms and Conditions regarding the specific instrument or operation;

3. a declaration is made by the counterparty in writing of its inability to pay all or any part of its debts or to meet its obligations arising in relation to monetary policy transactions or any other transactions with the BNB or with any other NCB, or the counterparty ceases to pursue its objects under its articles of association or analogous constitutive documents, or a declaration is made in writing by the counterparty of its intention to cease to pursue its objects under its articles of association or analogous constitutive documents, or a voluntary general agreement or arrangement is entered into by the counterparty with its creditors, or if the counterparty is, or is deemed to be, insolvent or is deemed to be unable to pay its debts;

4. procedural steps are taken preliminary to a decision being made under paragraph 1, item 1 or item 1 or item 6 of this paragraph, including a proposal to withdraw the license to conduct activities under Directive 2013/36/EU and Regulation (EU) No 575/2013; or Directive 2014/65/EU;

5. a temporary administrator or other analogous officer with the powers to restrict the ability of the counterparty to meet its obligations towards the Eurosystem is appointed;

6. a receiver, trustee or analogous officer is appointed over all or any material part of the property of the counterparty to the extent applicable;

7. an incorrect or untrue representation or other pre-contractual statement is made or is considered to be made by the counterparty under applicable provisions of law in relation to:

(a) monetary policy transactions or any other transactions with the BNB or with any other NCB, or

(b) compliance with any laws or regulations to which it may be subject, which may threaten the performance by the counterparty of its obligations under the arrangement it entered into for the purpose of effecting Eurosystem monetary policy operations;

8. the counterparty's license to conduct activities under Directive 2014/65/EU is suspended or revoked;

9. the counterparty is suspended from or has its participation terminated in any payment system through which payments under monetary policy transactions are made or (except for foreign exchange swap transactions) is suspended from or has its participation terminated in any securities settlement system used for the settlement of Eurosystem monetary policy operations;

10. measures such as those referred to in Articles 41(1) and 43(1) and Article 44 of Directive 2013/36/EU are taken against the counterparty;

11. in relation to reverse transactions, the counterparty fails to comply with provisions concerning risk control measures;

12. in relation to collateralised loans, the counterparty fails to deliver assets or reimburse the credit on the applicable dates for such payments or provision of assets;

13. in relation to foreign exchange swaps for monetary policy purposes and fixed-term deposits, the counterparty fails to pay the euro amount; or in relation to foreign exchange swaps for monetary policy purposes, the counterparty fails to pay foreign currency amounts on the applicable dates for such payments;

14. an event of default, not materially different from the cases defined in this Article, occurs in relation to the counterparty under an agreement concluded for the purposes of the management of the foreign reserves or own funds of the ECB or any NCBs;

15. the counterparty fails to provide relevant information, thus causing severe consequences for the BNB;

16. the counterparty fails to perform any other of its obligations under arrangements for reverse transactions and foreign exchange swap transactions and, if capable of remedy, does not remedy such failure within a maximum of 30 days in the case of collateralised transactions and a maximum of 10 days for foreign exchange swap transactions after notice is given by the NCB requiring it to do so;

17. an event of default occurs in relation to the counterparty, including its branches, under any agreement or transaction with the Eurosystem entered into for the purpose of effecting Eurosystem monetary policy operations;

18. the counterparty becomes subject to the freezing of funds and/or other measures imposed by a Member State whose currency is the euro restricting the counterparty's ability to use its funds;

19. all or a substantial part of the counterparty's assets are subject to a freezing order, attachment, seizure or any other procedure that is intended to protect the public interest or the rights of the counterparty's creditors;

20. all or a substantial part of the counterparty's assets are assigned to another entity or all or a substantial part of the operations or business of the counterparty are sold, dissolved, liquidated or discontinued or any decision to this effect is made; and

21. any other impending or existing event which threatens the performance by the counterparty of its obligations under the arrangements it entered into for the purpose of effecting Eurosystem monetary policy operations or under any other contractual and/or statutory rules applying to the relationship between the counterparty and the ECB or any of the NCBs, or the counterparty defaults on, breaches or fails to duly perform any other obligation, agreement or transaction with its home NCB under the arrangements entered into for the purpose of effecting monetary policy operations or under any other contractual and/or statutory rules applying to the relationship between the counterparty and the ECB or any of the NCBs.

(3) In the case of the discretionary events of default referred to in paragraph 2, the event of default shall be declared by the BNB in accordance with Eurosystem procedures adopted by the Governing Council of the ECB and shall be perfected only upon service of a notice of default. Such notice of default may provide a 'grace period' of up to three business days to rectify the event of default.

*Remedies in the Event of Default and for Prudential Reasons*

**Article 17.** (1) The BNB shall be entitled to exercise any of the following remedies on the grounds of prudence:

1. suspending, limiting or excluding the counterparty from access to open market operations;
2. suspending, limiting or excluding the counterparty from access to the standing facilities;
3. terminating all outstanding agreements and transactions;
4. demanding accelerated performance of claims that have not yet matured or are contingent;
5. using deposits of the counterparty placed with the BNB to set off claims against that counterparty;
6. suspending the performance of obligations against the counterparty until the claim on the counterparty has been satisfied.

(2) In the event of default under Article 16, the Bulgarian National Bank shall have the right to use the following remedies in addition to those provided for in paragraph 1:

- (a) to claim interest for a late payment; and
- (b) to claim compensation for losses suffered as a result of default by the counterparty.

(3) If an event of default occurs pursuant to Article 16, paragraph 1, the BNB shall have the right to use all remedies listed in paragraph 1, with the exception of the remedy for restricting the counterparty under paragraph 1, items 1 and 2.

(4) On the grounds of prudence, the BNB may reject, limit the use of or apply supplementary haircuts to assets mobilised as collateral in Eurosystem credit operations by counterparties.

(5) At all times, the BNB shall be in a legal position to realise all assets provided as collateral without undue delay in such a way as to realise the value of the credit provided, if the counterparty does not settle its negative balance promptly.

(6) At all times, the BNB shall be in a legal position to impose a financial penalty for a failure of a counterparty to reimburse or pay, in full or in part, any amount of the credit or of the repurchase price, or to deliver the purchased assets, at maturity or when otherwise due, in the event that no remedy is available to it pursuant to paragraph 2. The financial penalty shall be calculated in accordance with the BNB General Terms and Conditions, taking into account the amount of cash that the counterparty could not pay or reimburse, or the assets the counterparty could not deliver, and the number of calendar days during which the counterparty did not pay, reimburse or deliver.

*Contractual Sanctions for Failure to Comply with Certain Operational Rules*

**Article 18.** (1) The Bulgarian National Bank shall apply one or more sanctions in the cases provided for in the BNB General Terms and Conditions, if the counterparty fails to fulfill its obligation or certain operational rules.

(2) The imposed sanction shall be determined by the Bulgarian National Bank in accordance with the provisions of the BNB General Terms and Conditions and may be only a pecuniary sanction, or a pecuniary sanction and a non-pecuniary sanction.

**ADDITIONAL PROVISION**

§ 1. Within the meaning of this Ordinance:

1. ‘credit claim’ means a claim for the repayment of money, which constitutes a debt obligation of a debtor *vis-à-vis* a counterparty; credit claims also include *Schuldenscheindarlehen* and Dutch-registered private claims on the government or other eligible debtors that are covered by a government guarantee, *e.g.* housing associations;

2. ‘repurchase date’ means the date on which the buyer is obliged to sell back equivalent assets to the seller in relation to a transaction under a repurchase agreement;

3. ‘eligible assets’ means assets that fulfil the criteria laid down in the BNB General Terms and Conditions and are accordingly eligible as collateral for Eurosystem credit operations;

4. ‘Member State’ means a Member State of the Union;

5. ‘European Economic Area’ (EEA) means all Member States, regardless of whether or not they have formally acceded to the EEA, together with Iceland, Liechtenstein and Norway;

6. ‘Eurosystem’ means the ECB and the NCBs;

7. ‘ECONS credit’ means credit provided within contingency processing as referred to in points 2.3 and 3.2 of Appendix IV to Annex I to Guideline (EU) 2022/912 of the European Central Bank (ECB/2022/8);

8. ‘competent authority’ means a public authority or body officially recognised by national law that is empowered by national law to supervise institutions as part of the supervisory system in the relevant Member State, including the ECB with regard to the tasks conferred on it by Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions;

9. ‘intraday credit’ means intraday credit as defined in Article 2, point (35) of Guideline (EU) 2022/912 (ECB/2022/8), in conjunction with point (35) of Annex III to that Guideline;

10. ‘Eurosystem credit operations’ means:

(a) liquidity-providing reverse transactions, *i.e.* liquidity-providing Eurosystem monetary policy operations excluding foreign exchange swaps for monetary policy purposes and outright purchases;

(b) intraday credit; and

(c) ECONS credit;

11. 'mobilisation' means a process whereby collateral is transferred by the counterparty to an account designated by the NCB;

12. 'collection of fixed-term deposits' means an instrument used in conducting open market operations, whereby the Eurosystem invites counterparties to place fixed-term deposits on accounts with their home NCBs in order to absorb liquidity from the market;

13. 'national central bank' (NCB) means a national central bank of a Member State whose currency is the euro;

14. 'non-marketable debt instruments backed by eligible credit claims' mean debt instruments:

(a) that are backed, directly or indirectly, by credit claims that satisfy all Eurosystem eligibility criteria for credit claims in accordance with the BNB General Terms and Conditions;

(b) that offer dual recourse: to a credit institution that is the originator of the underlying credit claims; and to the dynamic cover pool of underlying credit claims referred to in letter (a);

(c) for which there is no tranching of risk;

15. 'home NCB' means the NCB of the Member State whose currency is the euro in which the counterparty is established;

16. 'collateralised loan' means an arrangement between an NCB and a counterparty whereby liquidity is provided to a counterparty by way of a loan that is secured by an enforceable security interest granted by that counterparty to the NCB in the form of *e.g.* a pledge, assignment or charge granted over assets;

17. 'reverse transaction' means an instrument used in conducting open market operations and when providing access to the marginal lending facility whereby an NCB buys or sells eligible assets under a repurchase agreement or conducts credit operations in the form of collateralised loans;

18. 'fine-tuning operations' mean a category of open market operations executed by the Eurosystem, particularly to deal with liquidity fluctuations in the market;

19. 'Eurosystem monetary policy operations' mean open market operations and standing facilities;

20. 'haircut' means a percentage reduction applied to the market value of an asset mobilised as collateral in Eurosystem credit operations;

21. 'maturity date' means the date on which a Eurosystem monetary policy operation expires; in the case of a repurchase agreement or swap, the maturity date corresponds to the repurchase date;

22. 'custodian' is a person who undertakes the safekeeping and administration of securities and other financial assets on behalf of other persons;

23. 'recapitalisation with public debt instruments' means any form of an increase in the subscribed capital of a credit institution where all or part of the consideration is provided through a direct placement with the credit institution of sovereign or public

sector debt instruments that have been issued by the sovereign state or public sector entity providing the new capital to the credit institution;

24. 'securities settlement system' (SSS) means a securities settlement system as defined in point (10) of Article 2(1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 which allows the transfer of securities, either free of payment (FOP), or against payment (delivery versus payment (DVP));

25. 'repurchase agreement' means an arrangement whereby an eligible asset is sold to a buyer without any retention of ownership on the part of the seller, while the seller simultaneously obtains the right and the obligation to repurchase an equivalent asset at a specific price on a future date or on demand;

26. 'structural operations' mean a category of open market operations executed by the Eurosystem to adjust the structural liquidity position of the Eurosystem *vis-à-vis* the financial sector or pursue other monetary policy purposes as further specified in the BNB General Terms and Conditions;

27. 'public sector entity' mean an entity that is classified by a national statistical authority as a unit within the public sector for the purposes of Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union;

28. 'wind-down entity' means an entity, whether privately or publicly owned, that  
(a) has as its main purpose the gradual divestment of its assets and the cessation of its business; or

(b) is an asset management or divestment entity established to support financial sector restructuring and/or resolution, including asset management vehicles resulting from a resolution action in the form of the application of an asset separation tool pursuant to Article 26 of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 or national legislation implementing Article 42 of Directive 2014/59/EU of the European Parliament and of the Council;

29. 'Union' means the European Union;

30. 'cross-border use' means the submission, as collateral, by a counterparty to its home NCB of:

- (a) marketable assets held in another Member State whose currency is the euro;
- (b) marketable assets issued in another Member State and held in the Member State of the home NCB;
- (c) credit claims where the credit claim agreement is governed by the laws of another Member State whose currency is the euro other than that of the home NCB;

(d) non-marketable debt instruments backed by eligible credit claims (DECCs) issued and held in another Member State whose currency is the euro other than that of the home NCB;

31. ‘tender procedure’ means a procedure whereby the Eurosystem provides liquidity to, or withdraws liquidity from, the market whereby the NCB enters into transactions by accepting bids submitted by counterparties after a public announcement;

32. ‘marketable assets’ mean debt instruments that are admitted to trading on a market and that fulfil the eligibility criteria laid down in the BNB General Terms and Conditions.

## TRANSITIONAL AND FINAL PROVISIONS

§ 2. This Ordinance is issued on the basis of Article 37 in conjunction with § 6, paragraph 1 of the Law on the Bulgarian National Bank and in implementation of Article 1, paragraph 3 and Article 160 of Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (General Documentation Guideline) adopted by Decision No 159 of 17 April 2025 of the Governing Council of the Bulgarian National Bank and is effective as of the date of entry into force of the Law on the Bulgarian National Bank, published in the *Darjaven Vestnik*, issue 13 of 13 February 2024, except for § 3, which shall come into force one month after the date of adoption of the Decision of the Council of the European Union abrogating the derogation of the Republic of Bulgaria on the basis of Article 140(2) of the Treaty on the Functioning of the European Union.

§ 3. (in force one month after the date of adoption of the Decision of the Council of the European Union abrogating the derogation of the Republic of Bulgaria on the basis of Article 140(2) of the Treaty on the Functioning of the European Union) (1) An institution established in Bulgaria that wishes to participate in the Eurosystem monetary policy operations as of the date of entry into force of this Ordinance shall submit an application for admission as a counterparty under the monetary policy of the BNB to the Deputy Governor in charge of the Issue Department, signed by the persons who manage and represent it, according to the sample under Appendix No 1 to this Ordinance, within the period until the entry into force of this Ordinance.

(2) Within 14 days of receiving the application and all required documents, the BNB shall carry out a study of the institution’s compliance with the eligibility criteria set out in Article 3, paragraph 2, and shall provide a response to the applicant institution on the application for admission as a counterparty for the BNB’s monetary policy.

(3) When carrying out the study under paragraph 2, the BNB may request the applicant institution or another central bank to provide additional documents or information to certify compliance with the eligibility criteria. The period under paragraph 2 shall be suspended until the additional documents requested are provided.

(4) On the date of entry into force of this Ordinance, the Bulgarian National Bank shall admit the applicant to the BNB’s monetary policy operations if the applicant institution has submitted all required information and documents, in case they have

been requested, and if, in the view of the BNB, the applicant institution meets the eligibility criteria.

(5) On the date of entry into force of this Ordinance, the Bulgarian National Bank shall refuse the admission of the applicant institution to the Eurosystem monetary policy operations if it does not meet the eligibility criteria according to the BNB General Terms and Conditions or if it has not submitted the required documents, if they are incorrect or their content is contradictory or if other requirements of the BNB General Terms and Conditions under Article 2, paragraph 1 or of the applicable acts of the European Central Bank are not met.

(6) The admission, respectively the refusal of admission, shall be made by the Deputy Governor of the BNB in charge of the Issue Department, after consultation with the Banking Supervision Department and the Banking Department.

§ 4. The Deputy Governor of the Bulgarian National Bank in charge of the Issue Department shall issue instructions on the implementation of this Ordinance, including rules on the use of templates for confirming the terms of transactions and of information carriers, as well as on the methods of notification.