

Ordinance No 50
of the BNB
of 13 November 2025
on Appointing Registered Auditors and External Independent Experts
under Article 46, Paragraph 1, Item 3 of the Law on Credit Servicers and
Credit Purchasers, and on the Requirements Applicable to Them

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Chapter One
General Provisions

Article 1. (1) This Ordinance shall establish the procedure and manner for appointing:

1. a registered auditor;
2. an external independent expert to carry out an assessment of the claims managed on non-performing loans by a credit servicer;
3. an external independent expert to carry out an assessment of compliance with the requirements under Article 8, paragraph 11 of the Law on Credit Servicers and Credit Purchasers by the credit servicer, or of individual functions thereof.

(2) This Ordinance shall also establish the requirements for the professional qualification and experience of the persons under paragraph 1.

(3) The decision to appoint a registered auditor under paragraph 1, item 1 or an external independent expert under paragraph 1, items 2 and 3 shall be taken by the Governing Council of the Bulgarian National Bank (BNB) upon a proposal by the Deputy Governor heading the Banking Department.

Article 2. This Ordinance aims to provide an assessment by an external independent expert and/or perform an audit engagement and/or audit services by a registered auditor in relation to credit servicers' activity in the cases under Article 46, paragraph 1 of the Law on Credit Servicers and Credit Purchasers.

Article 3. (1) The Bulgarian National Bank shall establish and maintain a list of:

1. registered auditors for performing an audit engagement and/or audit services under the Law on Independent Financial Audit and Assurance of Sustainability Reporting;
2. external independent experts to carry out an assessment of the claims managed on non-performing loans by a credit servicer;
3. external independent experts to carry out an assessment of compliance with the requirements under Article 8, paragraph 11 of the Law on Credit Servicers and Credit Purchasers.

(2) The Bulgarian National Bank shall publish on its website information on the requirements for the persons under paragraph 1, items 1–3 and the procedures for their registration in the relevant list under paragraph 1, as well as the lists under paragraph 1.

Chapter Two
Requirements for Registered Auditors and External Independent Experts

Section I

Requirements for Professional Qualification and Experience of the Registered Auditor

Article 4. The registered auditor under Article 1, paragraph 1, item 1 shall be:

1. a natural person that meets the following requirements:
 - a) at least five years of professional experience as a registered auditor in the audit of financial sector entities;
 - b) with no legal capacity as an auditor in the Republic of Bulgaria or in another Member State being revoked;
 - c) with no disciplinary measure being imposed under Article 40, paragraph 4, item 6 or 7 of the Law on Independent Financial Audit and Assurance of Sustainability Reporting by an effective decision in the last three years prior to the date of submission of the application for registration in the list under Article 3, paragraph 1, item 1;
 - d) with no supervisory measure being imposed under Article 89, paragraph 2, items 5–8 of the Law on Independent Financial Audit and Assurance of Sustainability Reporting by an effective decision;
2. an audit firm meeting the requirements under item 1 in which at least one registered auditor – a natural person – who meets the requirements under item 1 exercises the auditing profession.

Section II

Requirements for Professional Qualification and Experience of the External Independent Expert Referred to in Article 1, Paragraph 1, Item 2

Article 5. The external independent expert under Article 1, paragraph 1, item 2 for carrying out an assessment of the claims managed on non-performing loans shall be an independent valuer within the meaning of Article 5 of the Law on Independent Valuers which shall meet the following requirements:

1. a natural person that:
 - a) is entitled to exercise the profession of an independent valuer in the Republic of Bulgaria pursuant to the Law on Independent Valuers;
 - b) has at least five years of professional experience as an independent valuer;
 - c) has no legal capacity of an independent valuer being revoked;
 - d) has not committed violations of Article 17, paragraph 2, Article 18, items 1–3 and 7, and Article 21 of the Law on Independent Valuers in the last three years before the date of submission of the application for registration in the list under Article 3, paragraph 1, item 2;
2. an independent valuer firm that meets the requirements referred to in item 1 and is entered in the register of independent valuers under Article 15 of the Law on Independent Valuers, in which at least one independent valuer meeting the requirements under item 1 exercises the profession.

Section III

Requirements for Professional Qualification and Experience of the External Independent Expert Referred to in Article 1, Paragraph 1, Item 3

Article 6. The external independent expert under Article 1, paragraph 1, item 3, assigned to carry out an assessment of compliance with the requirements under Article 8, paragraph 11 of the Law on Credit Servicers and Credit Purchasers by the credit servicer, or of individual functions thereof, shall have:

1. recognised professional qualification as an internal auditor;
2. at least five years of professional experience in internal auditing in the financial sector's or in the public sector's entities;
3. a certificate recognising professional qualification as an internal auditor, which has not been revoked.

Section IV

Additional Requirements for the Persons Referred to in Article 1, Paragraph 1

Article 7. (1) Each natural person referred to in Article 1, paragraph 1 shall also meet the following requirements:

1. has not been convicted of a premeditated crime of general character, unless rehabilitated;
2. has not been deprived of the right to hold positions of financial responsibility;
3. in the last three years before the insolvency start date specified by the court, has not been a member of a management or control body, or an unlimited liable partner in a company against which bankruptcy proceedings have been initiated or in a company terminated due to bankruptcy, if creditors have not been satisfied;
4. is not subject to bankruptcy proceedings and shall not be an insolvent debtor whose rights have not been restored;
5. in the last three years prior to the act of the relevant competent authority, has not been a member of a management or control body, an unlimited liable partner or a procurator in a company whose license to conduct a licensed activity has been revoked, unless the license was revoked at the request of the company, and if the act for withdrawing the license has been revoked, as appropriate;
6. has not been dismissed from a position in the management or control body of a company or as a procurator on the basis of an enforcement administrative measure applied by a competent authority, except in the cases where the act of the competent authority has been revoked, as appropriate;
7. during the last three years, has not been subject to administrative penalties imposed by penalty decrees for serious misconduct or systematic breaches of laws regulating activities in the financial sector and their implementing acts, the relevant legislation of another Member State or directly applicable law of the European Union governing activities in the financial sector.
8. has not been deleted from the relevant list under Article 3, paragraph 1 on the grounds of Article 16, paragraph 3, items 4–6.

(2) The audit firm referred to in Article 4, item 2 shall also meet the following requirements:

1. under paragraph 1, items 3–7;
2. has not been deleted from the relevant list under Article 3, paragraph 1, on the grounds of Article 16, paragraph 3, items 3–6, except where the deletion is in relation to item 3 and at least one registered auditor who meets the requirements of paragraph 1 and Article 4, item 1 has started to exercise the auditing profession;
3. at least one registered auditor who meets the requirements under paragraph 1 and Article 4, item 1 exercises the auditing profession therein.

(3) An independent valuer firm under Article 5, item 2 shall also meet the following requirements:

1. under paragraph 1, items 3–7;

2. has not been deleted from the relevant list referred to in Article 3, paragraph 1, on the grounds set out in Article 16, paragraph 3, items 3–6, except where the deletion is on the grounds of item 3 and at least one person with legal capacity under the Law on Independent Valuers, who meets the requirements set out in paragraph 1 and Article 5, item 1, has started to exercise the profession of an independent valuer in the independent valuer firm;

3. at least one person with the legal capacity of an independent valuer, who meets the requirements set out in paragraph 1 and Article 5, item 1, exercises the profession of an independent valuer therein.

Chapter Three

Avoidance of Conflicts of Interest

Article 8. (1) Each natural person referred to in Article 1, paragraph 1 shall:

1. not have been a member of a management or control body or an employee of the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers;

2. not be a related party to a member of a management or control body, or a representative of the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers, or to a person holding a qualifying holding in the capital of the credit servicer, within the meaning of Article 4(1)(36) of Regulation (EU) No 575/2013, and not be in factual cohabitation with such a member or person;

3. not have provided other professional services to the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers, in the last two years prior to the date of the invitation under Article 12, and not have been a member of a firm which has provided such services during the same period;

4. have no financial or other interest, including within the meaning of Article 54, paragraph 5, items 1–3 of the Law on Independent Financial Audit and Assurance of Sustainability Reporting, and have no property or other interest within the meaning of Article 21, paragraph 1, item 3 of the Law on Independent Valuers, related to the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers.

(2) The audit firm under Article 4, item 2, the independent valuer firm, respectively, referred to in Article 5, item 2 shall:

1. not have been a member of a management or control body of the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers;

2. not be a related party to a member of a management or control body, or a representative of the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers, or to a person holding a qualifying holding in the capital of the credit servicer, within the meaning of Article 4(1)(36) of Regulation (EU) No 575/2013;

3. not have provided other professional services to the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers, in the last two years prior to the date of the invitation under Article 12;

4. have no financial or other interest within the meaning of Article 54, paragraph 5, items 1–3 of the Law on Independent Financial Audit and Assurance of Sustainability Reporting, and have no property or other interest within the meaning of Article 21, paragraph 1, item 3 of the Law on Independent Valuers, related to the credit servicer, which is subject to the measure under Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers.

(3) The registered auditor exercising his/her profession in an audit firm and the independent valuer exercising his/her profession in an independent valuer firm shall meet the requirements set out in paragraph 1.

(4) The audit firm referred to in Article 4, item 2 and the independent valuer firm under Article 5, item 2 shall apply proper procedures to identify, manage and prevent conflicts of interest.

Chapter Four

Registration and Deletion from the Lists under Article 3, Paragraph 1

Section I

Procedures for Registration in the Lists under Article 3, Paragraph 1

Article 9. (1) A procedure for registration in the relevant list under Article 3, paragraph 1 shall be conducted pursuant to a decision of the BNB Governing Council.

(2) By virtue of the decision under paragraph 1, the BNB Governing Council shall appoint a committee and approve documentation for the relevant procedure, which shall include:

1. a text of a public invitation to participate in the selection process;
2. a text of an individual invitation to participate in the selection process, where applicable;
3. requirements for applicants to be registered in the relevant list under Article 3, paragraph 1;
4. a list of documents certifying the compliance with the requirements under item 3;
5. templates of the application and the declarations;
6. time limits and procedures for the submission of applications to participate in the selection;

7. other documents, if necessary.

(3) The procedure for registration in the relevant list under Article 3, paragraph 1 shall be directed, organised and controlled by the Deputy Governor heading the Banking Department.

Article 10. (1) The committee under Article 9, paragraph 2 shall be appointed for each specific procedure to complete the relevant list under Article 3, paragraph 1, consisting of a chairperson, four regular members, and two reserve members.

(2) The committee members referred to in paragraph 1 shall have knowledge and experience in the field of credit servicing or internal audit activities and at least one of the committee members shall be a qualified lawyer.

(3) As regards the committee members, there shall not be any conflict of interest with the applicants for entry in the relevant list under Article 3, paragraph 1.

(4) For the purposes of paragraph 3, the committee members shall sign a declaration as per sample on the absence of circumstances indicating the existence or concerns of a conflict of interest.

Article 11. (1) The committee shall meet if more than half of its members are present.

(2) The committee's resolutions shall be taken by a majority vote by more than half of its members present.

(3) The committee's meetings and the decisions taken shall be documented in minutes signed by the members present.

Article 12. (1) The public invitation to participate in the procedure for registration in the relevant list under Article 3, paragraph 1 shall be published on the BNB website.

(2) The individual invitations to participate in a procedure, if approved by the BNB Governing Council, shall be sent to natural persons and legal entities of recognised reputation and name in the fields of asset evaluation or audit in the financial sector.

Section II

Application for Registration in the Lists under Article 3, Paragraph 1

Article 13. (1) Persons who meet the relevant requirements of Chapter Two shall be registered in the lists under Article 3, paragraph 1.

(2) For the purposes of paragraph 1, the person applying for his/her registration in the relevant list under Article 3, paragraph 1 shall submit an application.

(3) A natural person under Article 1, paragraph 1 shall supplement the application with:

1. a document of recognised legal capacity, where applicable, an obtained professional qualification under Article 6, item 1, respectively;

2. a curriculum vitae containing data on the person's professional experience;

3. documents certifying professional experience;

4. a declaration that the person has not been convicted of a premeditated crime outside the Republic of Bulgaria, where the person is a Bulgarian citizen; for persons who are not Bulgarian citizens – a criminal record or other similar document, and where such a document may not be issued in their country of habitual residence, a declaration shall be submitted;

5. a declaration:

a) on the circumstances referred to in Article 4, item 1(b) to (d), Article 5 item 1(c) and (d), or Article 6, item 3;

b) under Article 7, paragraph 1, items 2–7.

(4) An audit firm under Article 4, item 2 shall supplement the application with:

1. a declaration on the circumstances referred to in Article 4, item 1(b) to (d) and Article 7, paragraph 2, items 1 and 3;

2. documents referred to in paragraph 3 for at least one registered auditor – a natural person exercising his/her profession in the audit firm.

(5) An independent valuer firm under Article 5, item 2 shall supplement the application with:

1. a declaration on the circumstances referred to in Article 5, item 1(c) and (d) and Article 7, paragraph 3, items 1 and 3;

2. documents under paragraph 3 for at least one natural person with the legal capacity of an independent valuer exercising his/her profession within the firm.

(6) The documents attached to the application shall be either originals or copies certified by the applicant, and the applicant shall submit the original of the relevant document upon request.

(7) The documents and information attached to the application shall be submitted in Bulgarian. All foreign language documents shall be submitted in original and accompanied by a translation into Bulgarian, and the relevant official documents shall also be legalised in accordance with the requirements of Bulgarian law.

(8) A document may be replaced by a notary certified declaration in cases where the foreign country's legal system does not provide for the issue of such a document, which shall be evidenced by an official document issued by the relevant competent authorities of this country.

(9) Where there is a discrepancy between the documents presented in the original and in a Bulgarian translation, all data and information specified therein shall be assumed to be true.

(10) The documents and information attached to the application shall be submitted on paper and electronically.

(11) The chairperson of the committee referred to in Article 9, paragraph 2 may require the applicant to submit additional documents and information in order to establish the circumstances necessary for assessing the conditions for his/her inclusion in the relevant list under Article 3, paragraph 1, and shall set a time limit for submission.

(12) The applicant shall immediately inform the BNB in writing of any change to the information contained in the application and in the documents attached thereto that has occurred after the submission of the application, including where already provided information is not accurate, complete or true.

(13) In the cases under paragraph 12, the applicant shall identify the relevant information in which a change has occurred, its place in the original application, the reason for the change in the information, the updated information and a confirmation that the remaining information in the application remains unchanged.

Article 14. (1) The committee referred to in Article 9, paragraph 2 shall check the applications for compliance with the requirements of Article 13.

(2) Where irregularities and/or incompleteness are detected, the chairperson of the committee shall inform the applicant and give instructions on their removal within a seven-day period of receipt of the notification.

Article 15. (1) After expiry of the time limit for the removal of irregularities and/or incompleteness, the committee under Article 9, paragraph 2 shall assess the applications and attachments thereto and prepare a report to the Deputy Governor heading the Banking Department, proposing that eligible applicants be registered in the relevant list under Article 3, paragraph 1. The preparation of the report shall take into account the information contained in public registers and the information available on an *ex officio* basis that is relevant for the assessment of compliance with the requirements of Chapters Two and Three.

(2) On the basis of the report referred to in paragraph 1, the Deputy Governor heading the Banking Department shall issue orders for registration in the relevant list under Article 3, paragraph 1 or refuse registration.

(3) In case of refusal of registration in the relevant list under Article 3, paragraph 1, the applicant may submit a new application for registration in the list not earlier than one year from the entry into force of the refusal.

(4) The order under paragraph 2 shall be notified to the respective applicant under the Administrative Procedure Code.

(5) The order referred to in paragraph 2 may be challenged by the person concerned within 14 days of receiving the notice under the Administrative Procedure Code.

Article 16. (1) Persons registered in the list under Article 3, paragraph 1 shall notify in writing the BNB if they have ceased to meet the relevant requirements under Chapters Two and Three or there have been changes in the identifying data, legal situation, legal representation or delegation to the BNB for the purposes of this Ordinance.

(2) Any change in the relevant list under Article 3, paragraph 1 arising from the notification under paragraph 1 and in the cases referred to in paragraph 3 shall be made by an order of the Deputy Governor heading the Banking Department.

(3) A person registered in the list under Article 3, paragraph 1 may be deleted:

1. at his/her request;
2. in case of death or legal incapacity;
3. upon the opening of bankruptcy proceedings or the liquidation of the audit firm;
4. where he/she no longer meets any of the requirements under Articles 4–6, Article 7, paragraph 1, items 1–7, Article 7, paragraph 2, items 1, and/or 3, respectively, Article 7, paragraph 3, items 1 and/or 3, respectively;
5. where, under no reasonable ground, the independent evaluation or the audit engagement and/or audit services for which he/she was appointed are not performed within the time limit;
6. where it is found that the entry in the relevant list under Article 3, paragraph 1 is based on incorrect data and/or information.

(4) The order under paragraph 2 shall be subject to notifying and appealing under the Administrative Procedure Code.

Chapter Five

Appointment of a Person in Accordance with Article 46, Paragraph 1, Item 3 of the Law on Credit Servicers and Credit Purchasers

Article 17. (1) To implement the enforcement administrative measure referred to in Article 46, paragraph 1, item 3 of the Law on Credit Servicers and Credit Purchasers, the BNB shall send an invitation to the persons registered in the relevant list under Article 3, paragraph 1.

(2) The invitation shall contain:

1. the subject matter of the enforcement administrative measure;
2. data of the credit servicer to whom the measure will be applied;
3. the time limit for performing the independent evaluation or for the audit engagement and/or audit services;
4. the time limit and procedure for submitting a binding price proposal;
5. a list of the documents required to be provided.

(3) The person to whom the invitation was sent may submit, within the time limit set out therein, a binding price proposal to the BNB. In addition to the price proposal:

1. a natural person referred to in Article 1, paragraph 1 shall submit a declaration of compliance with the requirements of Article 8, paragraph 1;

2. an audit firm referred to in Article 4, item 2 shall submit a declaration of compliance with the requirements of Article 8, paragraph 2 and a declaration by a registered auditor exercising his/her profession in the audit firm of compliance with the requirements of Article 8, paragraph 1;

3. an independent valuer firm under Article 5, item 2 shall submit a declaration of compliance with the requirements of Article 8, paragraph 2 and a declaration by an independent valuer exercising his/her profession in the firm for compliance with the requirements of Article 8, paragraph 1.

(4) The binding price proposal must contain the final price in euro including value added tax and shall be presented to the BNB in a separate sealed non-transparent envelope.

(5) Binding price proposals submitted to the BNB after business hours on the last day of the time limit under paragraph 2, item 4 shall not be considered.

(6) The persons, to whom an invitation under paragraph 1 was sent, shall keep the information contained therein confidential.

Article 18. (1) Binding price proposals and declarations under Article 17, paragraph 3 shall be examined by the committee under Article 9, paragraph 2.

(2) Binding price proposals shall be opened after the time limit under Article 17, paragraph 2, item 4 expires.

(3) The committee under Article 9, paragraph 2 shall examine the documents submitted and rank the price proposals, with the lowest price proposal being ranked first. The ranking shall not include price proposals:

1. by natural persons who do not meet the requirements of Article 8, paragraph 1 or have not appropriately declared the circumstances surrounding them;

2. by an audit firm that does not meet the requirements of Article 8, paragraphs 2 and/or 3 or has failed to appropriately declare the circumstances surrounding them;

3. by an independent valuer firm that does not meet the requirements of Article 8, paragraphs 2 and/or 3 or has failed to duly declare the circumstances surrounding them.

(4) Where there are two or more equal price proposals ranked first, the committee under Article 9, paragraph 2 shall designate the person with the highest professional experience or, if all persons have equal experience, by drawing lots.

(5) If the person ranked first, the person designated under paragraph 4, respectively, withdraws his/her price proposal before being appointed, a new person shall be designated to carry out an independent evaluation and/or an audit engagement, and/or audit services in compliance with the results of the ranking under paragraph 3, with paragraph 4 being applied accordingly.

(6) The committee under Article 9, paragraph 2 shall draw up a report on its actions, which, together with the documents of the procedure, shall be submitted to the Deputy Governor heading the Banking Department for approval.

(7) After the Deputy Governor heading the Banking Department checks and approves the report and documents related to the procedure, he/she proposes to the Governing Council of the BNB to adopt a decision for the appointment of the relevant person.

Additional Provision

§ 1. Within the meaning of this Ordinance:

1. A 'conflict of interest' shall arise where the registered auditor, the external independent expert, respectively, has a private interest that can influence the impartial and objective performance of his/her duties in connection with independent evaluation and/or audit engagement, and/or audit services. Private interest shall be any interest which results in a tangible or intangible benefit for the registered auditor, the external independent expert, respectively, or for any parties related thereto, including any obligation assumed. 'Benefit' shall mean any income in money or in property, including acquiring participating interests or shares, as well as granting, transferring or renouncing rights, receiving goods or services gratuitously or at prices below the market prices, receiving a privilege or honours, assistance, vote, support or influence, advantage, obtaining or receiving a promise to obtain a job, position, gift, reward or a promise to avoid a loss, liability, sanction or another adverse event.

2. 'Recognised professional qualification of an internal auditor' shall mean the qualification certified by a 'public internal auditor' certificate, issued by the Minister of Finance, or a valid internationally recognised internal auditor certificate.

3. 'Related parties' shall be:

a) spouses, lineal relatives up to any degree and collateral relatives up to the fourth degree of consanguinity and relatives by marriage up to the third degree of affinity inclusive;

b) partners;

c) persons where one of them participates in the management of the other person's undertaking or subsidiary;

d) persons where one and the same legal entity or natural person is a member of their management or controlling body, including the case where the natural person is a legal person;

e) an undertaking and a person who holds more than 10 per cent of an undertaking's stakes or voting shares;

f) persons where one of them controls the other person;

- g) persons whose activity is controlled by a third person or its subsidiary;
- h) persons who jointly control a third person or its subsidiary;
- i) persons where one of them is the other person's commercial representative.

Final Provisions

§ 2. The first procedure under Article 9 shall be announced no later than 12 months from the entry into force of this Ordinance.

§ 3. This Ordinance is issued on the grounds of Article 46, paragraph 7 of the Law on Credit Servicers and Credit Purchasers and adopted by Resolution No 532 of the Governing Council of the Bulgarian National Bank of 13 November 2025.