

**Ordinance No 23**  
**of the BNB**  
**of 16 December 2016**  
**on the Terms and Procedure for Payout of**  
**Covered Deposit Amounts**

(Published in the Darjaven Vestnik, issue 103 of 27 December 2016;  
effective as of 31 December 2016)

**General Provisions**

**Article 1.** This Ordinance shall establish the terms and procedure for payout by the Bulgarian Deposit Insurance Fund (BDIF) of the covered amounts of deposits with banks under Article 1, paragraphs 2 and 3 of the Law on Bank Deposit Guarantee (LBDG) in the cases under Article 20, paragraph 1 of the LBDG.

**Size of Coverage Level**

**Article 2.** (1) The deposit guarantee shall be paid out in the amount specified in Article 9, paragraph 1 of the LBDG.

(2) Eligible deposits under Article 10, paragraph 1 of the LBDG shall be entitled for a guarantee for each depositor claim.

**Information about Covered Deposits**

**Article 3.** (1) Within the term under Article 20, paragraph 3 of the LBDG, the appointed conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall submit to the BDIF in an electronic form information on each depositor with the bank with the content and form provided for in the instructions issued by the BDIF Management Board under Article 7, item 19 of the LBDG.

(2) The information under paragraph 1 shall contain at least the following data:

1. depositor individualizing data;
2. funds held by a depositor;
3. circumstances and reasons for excluding a deposit from the total amount of the guarantee;
4. information on encumbrances and collaterals on depositors' accounts;
5. information on the circumstances with regard to deposits satisfying the conditions under Article 10, paragraph 1 of the LBDG;

6. information on deposits arising as a result of dispositive actions *vis-à-vis* the deposit within the meaning of Article 9, paragraph 2 of the LBDG, including information related to the legal bases for these dispositive actions;

7. information on the guarantee payable with respect to a deposit which the BDIF shall pay out to a person entitled with an enforced act of a judicial authority to receive the respective amount of the deposit guarantee;

8. covered amount of deposits of the respective depositor.

(3) The BDIF Management Board may require additional information necessary for the payout of the covered deposit amounts.

(4) The conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall verify the information referred to in paragraph 2, items 1 to 8 by any legal means.

(5) The conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall inform the BDIF in electronic form on a change in the information referred to in paragraph 2, items 1 to 8 in the following cases:

1. upon receipt of new data or changes in submitted information;

2. where there is an effective court judgement recognising the right of a person to receive a claimed deposit reimbursement.

(6) The conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall be responsible for the accuracy of the information submitted to the BDIF.

### **Servicing Bank**

**Article 4.** (1) The BDIF Management Board shall designate one or more servicing banks, which shall execute the payout of covered deposit amounts.

(2) In relation to paragraph 1 the BDIF Management Board shall require from the Banking Supervision Department at the BNB up-to-date information about the financial performance of the banks designated by the Board.

(3) The Chairman of the BDIF Management Board, the servicing bank and conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall conclude an agreement that lays down the terms and procedure for payout of covered deposit amounts.

(4) The servicing bank shall provide information on paid out covered deposit amounts at recurring intervals or upon request from the BDIF.

### **Setting the Deposit Coverage Level**

**Article 5.** (1) Within two business days from the date of issuance of an act under Article 20, paragraph 1 of the LBDG, the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy shall present to the BDIF the information under Article 3, paragraph 2, items 1 to 8. The information shall be signed by an electronic signature of the conservator,

temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy.

(2) The BDIF shall conduct an inspection to verify that the information under Article 3, paragraph 2, items 1–7 tallies with the information under Article 3, paragraph 2, item 8.

(3) If the verification under paragraph 2 identifies errors or inconsistencies, the BDIF shall immediately notify the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy.

(4) The errors and inconsistencies identified under paragraph 3 shall be remedied by the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy at the latest by 10 a.m. on the day preceding the initial day of the payout.

(5) Where new or updated data under Article 3, paragraph 2, items 1–8 are submitted to the BDIF by the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy after the initial day of payout, the BDIF, on the one hand, and the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy, on the other hand, shall sign bilateral protocols of the information obtained.

(6) Information on reimbursable deposits, as well as all new and updated data obtained under the procedure of the previous paragraph shall be provided by the BDIF to the servicing bank in an electronic form.

(7) The BDIF shall provide funds to the servicing bank for paying out covered deposit amounts.

(8) Depositors shall have the right to obtain a written certificate on the reimbursable amount of their deposits by the appointed conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy.

### **Procedure for Payout of Covered Deposit Amounts**

**Article 6.** (1) Starting from the initial day of the payout, depositors shall be entitled, in accordance with this ordinance, to a payout of the covered amount of their deposits.

(2) Each depositor shall be entitled to a payout of the covered amount of his deposits upon submission of a written declaration to the servicing bank that the circumstances under Article 11, paragraph 2 of the LBDG are not in place, as well as upon submission of the following documents:

1. for natural persons: an identity document;
2. for legal entities: a unique identification code (UIC) or a registration certificate under BULSTAT, or a current status certificate of registration of the persons managing and representing the legal entity along with their personal identification data.

(3) The servicing bank shall pay out the amounts determined in accordance with Article 5, paragraph 6 to the relevant depositor upon performing a verification of the documents submitted under paragraph 2.

(4) If the information on individualising data of a depositor is incorrect, the depositor shall submit a written request to the conservator, temporary administrator or special manager, liquidator, temporary assignee in bankruptcy or assignee in bankruptcy for a change of data in the servicing bank.

(5) Payouts of covered deposit amounts to an authorised person shall be allowed only upon presentation of a notary-certified explicit power of attorney and a written declaration by the titleholder of the covered deposit that the circumstances under Article 11, paragraph 2 of the LBDG are not in place.

(6) The declaration under paragraph 2 is not required in the event of deposit inheritance.

### **Payout of Covered Deposit Amounts in Branches of Bulgarian Banks in Other Member States**

**Article 7.** (1) In the cases under Article 20, paragraph 1 of the LBDG, the BDIF shall pay out the covered amounts of deposits to depositors in branches of Bulgarian banks in other Member States through the deposit guarantee scheme of the host Member State.

(2) Upon payout of the covered amounts of deposits to depositors in branches under Article 1, the BDIF Management Board jointly with the deposit guarantee scheme of the host Member State shall not later than two business days prior to the payout announce the following information:

1. the initial day for payout of covered deposit amounts;
2. the manner of payout of covered deposit amounts.

(3) The amount and scope of the guarantee of depositors in branches of other Member State banks licensed in the Republic of Bulgaria shall be determined in accordance with the requirements of the LBDG.

(4) Where a depositor holds simultaneously deposits with a bank on the territory of the Republic of Bulgaria and with its branches in other Member States, the reimbursable amount shall be determined under Article 12 of the LBDG by summing up all his/her deposits with the bank, including also those with the bank's branches in other Member States.

(5) By the day preceding the initial day of payout the BDIF shall provide the required information for payout of reimbursable deposit amounts to depositors with branches of Bulgarian banks in other Member States to the deposit guarantee scheme of the host Member State.

(6) The written objections raised by depositors with branches of Bulgarian banks in other Member States, addressed to the deposit guarantee scheme of the host Member State or the BDIF, shall be sent to the conservator, temporary administrators or special managers, liquidator, temporary assignee in bankruptcy or assignee in

bankruptcy for delivery of a decision within the term under Article 21, paragraph 2 of the LBDG.

### **Additional Provision**

§ 1. Within the meaning of this Ordinance:

1. ‘Servicing bank’ shall be one or more banks designated by the BDIF Management Board for payout of the covered amounts of deposits.

2. ‘Deposit guarantee scheme of the host Member State’ shall be the deposit guarantee scheme in the Member State where the branch of a bank licensed in the Republic of Bulgaria is established.

3. ‘Individualizing data’ shall be the information about a natural person as follows: the full name and identity number according to the identity document; for a foreign natural person: the full name, data from an identity document; for a resident legal entity: the name and UIC or a registration certificate under BULSTAT; for a non-resident legal entity: the name and a registration document.

### **Final Provision**

§ 2. This Ordinance is issued on the grounds of Article 20, paragraph 10 of the Law on Bank Deposit Guarantee, and is adopted by Resolution No 158 of 16 December 2016 of the Governing Council of the BNB and repeals Ordinance No 23 of 1999 on the Terms and Procedure for Payout of Insured Amounts on Deposits with Banks with Revoked Licenses (Darjaven Vestnik, issue 12 of 1999).

