



Bulgarian National Bank

APPROVED BY:

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**DEPUTY GOVERNOR IN CHARGE OF
THE BANKING DEPARTMENT**

GUIDELINES

**FOR CONNECTING INSTITUTIONS TO, WORKING WITH, AND
DISCONNECTING FROM, THE INFORMATION SYSTEM OF THE
CENTRAL CREDIT REGISTER**

Sofia, 2015

Section I

GENERAL PROVISIONS

Art. 1. (1) These ‘Guidelines for connecting institutions to, working with, and disconnecting from the information system of the Central Credit Register’ (Guidelines) are designed to establish the processes of administration, connection, data loading, user access management, and disconnection from the information system of the Central Credit Register (CCR information system) of banks, financial institutions, payment institutions and electronic money institutions, hereinafter referred to as ‘reporting entities’.

(2) The following entities shall be required to get connected to the CCR information system under art.4 and art.6 of Ordinance No.22 on the Central Credit Register of the Bulgarian National Bank (BNB):

1. the banks under art.2, par.5 of the Law on Credit Institutions (LCI);
2. the financial institutions under art.3a of LCI, operating under art.2, par.2, items 6, 7 or 12, or under art.3, par.1, item 3 of LCI, except for the foreign financial institutions operating directly in the Republic of Bulgaria;
3. the payment institutions and electronic money institutions granting loans under art.19 of the Law on Payment Systems and Payment Services (LPSPS).

(3) The banks under art.2, par.5 of LCI shall submit documents for getting connected to the CCR information system after having been licensed under art.13 of LCI.

(4) Financial institutions shall submit documents for getting connected to the CCR information system after having been entered in the public register of financial institutions under art.3a of LCI, and payment institutions and electronic money institutions shall do so after having been entered in the public register under art.17 of LPSPS.

(5) The operation, reporting to and receiving information from the CCR, and the requirements with regard to files, data format, controls, etc. are described in detail in BNB Ordinance No.22 on the Central Credit Register and the ‘Guidelines for reporting to and receiving information from the information system of the BNB’s Central Credit Register’, published on the BNB’s website.

Section II

ADMINISTERING THE CCR INFORMATION SYSTEM

USER INTERFACE OF THE CCR INFORMATION SYSTEM

Art. 2. (1) The CCR operates via two different application systems, independent of each other, with individually defined users.

(2) The two applications of the CCR information system, taken together, have the same technical requirements for access to the system and ensure information security.

(3) Users shall have access to the applications via electronic signature certificates issued by certification service providers registered by the Communications Regulation Commission, and an SSL protocol between the user and the BNB's Web interface.

Art. 3. (1) The *'Data loading application of the CCR information system'* shall be provided with a WEB interface for reporting entities' data entry, control and administration of the system.

(2) The reporting entities' users of the *'Data loading application of the CCR information system'* shall be registered and administered in the system by the BNB application administrator by means of applications (for registering a new user; for changing a user's access rights; for deactivating a user) filed by reporting entities.

(3) The data batches shall be entered into the CCR information system from the users' work stations in the financial institutions, payment institutions and electronic money institutions via a Web-based user interface, using electronic signatures and a secure communication channel (VPN) for banks. The application shall control the reported data (formal, logical and integrity controls), and users shall be able to see the control results. Corrections in a data batch (the whole or part of it) may be reported many times. In order to ensure accuracy of data, the data batches shall be confirmed twice by the reporting entity's user. The BNB application administrator shall verify the information to be put in the CCR database.

(4) The reporting entities' users of the *'Data loading application of the CCR information system'* shall be divided into two major groups:

1. administrators (users) who register and administer the data on the reporting entities' users having the roles 'Data entry' or 'Sent data confirmation';

2. users who pass data on to be entered and validate the truthfulness and accuracy of the data.

Art. 4. (1) The *'WEB application for certificates issued by the CCR information system'* is a secure WEB site that allows administering the reporting entities' users and receiving in real time:

1. certificates on one borrower's debts;

2. certificates on a group of borrowers' debts, in XML file format;

3. certificates on one borrower's debts, via technology for automatically sending an application and receiving information on the debts of one borrower (automated interface) in XML file format.

(2) The reporting entities' users of the application under par.1 shall be divided into two major groups - administrators and users:

1. the reporting entities' administrators (users) who register and administer the data on the reporting entities' end users. These shall be registered and the information on them shall be kept by the BNB application administrator by means of applications filed by reporting entities. Each reporting entity shall have at least one administrator defined in this application;

2. a reporting entity's users who shall be registered and administered in the application by the reporting entity's administrator. They may, electronically and in real time, receive information on the credit indebtedness of the reporting entity's clients.

(3) The BNB administrators shall periodically (on a monthly basis) issue invoices for the information sent to the reporting entity by the CCR as per the 'Tariff of fees charged by the Central Credit Register'. The amounts due under the issued invoices shall be paid by the 15th day of the month in which the invoices are issued.

(4) Fees shall be paid via bank. The amounts shall be paid to the BNB's account:

BULGARIAN NATIONAL BANK

IBAN: BG40 BNBG 9661 1000 0661 23

BIC: BNBGBGSD

Section III

CONNECTING A NEW REPORTING ENTITY TO THE CCR INFORMATION SYSTEM

Art. 5. (1) Under art.6 of BNB Ordinance No.22, the reporting entities based in the Republic of Bulgaria shall submit the following documents to get connected to the CCR information system:

1. an application for getting connected to the information system of the Central Credit Register (Appendix No.1);

2. a registration form for connection to the Central Credit Register (Appendix No.2);

3. information on the technical and software readiness to report data to the Central Credit Register, under art.6, item 3 of BNB Ordinance No.22 (Appendix No.3);

4. a copy of the applicant's registration document or EIC;

5. the internal rules for working with the CCR information system, under art.6, item 2 of BNB Ordinance No.22, which shall contain the following sections:

a) 'Introduction – General provisions' – the purpose of the rules, a brief description of the reporting entity's organisational structure and activities;

b) 'Administration of the system' – the reporting entity's officers who will be registered as administrators and users of the two CCR applications – '*Data loading application of the CCR information system*' and '*WEB application for certificates issued by the CCR information system*'. This section shall also list their rights and duties in working with the CCR information system, in accordance with Section II. 'Administering the CCR information system' hereof;

c) 'Procedure for reporting information to the CCR' – the procedure for reporting data to the CCR information system, under Chapter Three of BNB Ordinance No.22 on the Central Credit Register, including:

- a description of control measures and procedures ensuring the correctness of the information reported to the CCR; and the officers who will supervise the execution of these measures. The correctness of the information shall be controlled by setting up internal mechanisms verifying the data with the reporting entity's accounting system and other registers, in accordance with its internal procedures, policies and practices;

- a description of the procedure for dealing with clients' complaints about incorrect data reported to the CCR information system under art.17 and art.24 of BNB Ordinance No.22.

d) 'Procedure for receiving information from the CCR' – the procedure for receiving data from the CCR information system, under Chapter Four of BNB Ordinance No.22 on the Central Credit Register, including the rights and duties of the persons processing the data from and to the CCR while keeping the bank, professional and trade secrecy under art.19, par.4 and par.5 of BNB Ordinance No.22, who shall be bound by signing a declaration. The sample declaration shall be an inseparable part of the rules.

e) 'Measures for safeguarding, protection and control over the receipt and use of information from the CCR information system', including:

- a description of measures (technical, physical and organisational) for safeguarding and protecting the information, confidentiality and its use;

- a description of procedures for protecting the information received from and reported to the CCR information system, as well as defining the levels of responsibility, identifying and alerting to risks of unauthorised receipt and use of the information.

Users shall be controlled by means of the reporting entity's internal procedure that ensures authorised access to the system and the reasons for credit indebtedness checks.

f) 'Final provisions' – defining the requirements in accordance with art.7, par.3 and art.25, par.3 of BNB Ordinance No.22, and specifying the document (e.g. a protocol) with which the rules are adopted and the date of entry into force. The specified document shall be an inseparable part of the rules.

6. a document attesting the paid fee for connection to the CCR. The fee shall be paid to the account specified under art.4, par.4 hereof.

(2) Reporting entities shall submit the documents listed in par.1 within six months as of the date on which the institution is entered in the relevant BNB's public register at: Bulgarian National Bank, Sofia 1000, 1, Knyaz Alexander I Sq., every business day, from 8:30 to 15:45, or by courier at: Bulgarian National Bank, Sofia 1000, 1, Knyaz Alexander I Sq., to the attention of the Deputy Governor in charge of the Banking Department.

(3) If the applicant does not submit all the documents required under art.6 of BNB Ordinance No.22 or if the submitted documents contain incomplete, contradictory or untrue information, the BNB shall notify the applicant in writing thereof, by sending a letter with instructions for removing the

mismatches. In this case the applicant is expected to correct and send back the corrected documents.

(4) The corrected documents sent by reporting entities shall indicate the original input registration number under par.1, item 1 so as to ensure correct correspondence.

(5) When the applicant has submitted all documents under art.6 of BNB Ordinance No.22, the applicant shall be connected to the CCR information system on a certain starting date specified in an order of the Deputy Governor in charge of the Banking Department. A transcript of the order shall be sent to the connected reporting entity.

Art. 6. (1) On grounds of the order of the Deputy Governor in charge of the Banking Department about connection to the CCR information system, the BNB shall register the administrators of the data loading application, designated by the applicant in the 'Registration form for connection to the Central Credit Register' (Appendix No.2).

(2) The administrators shall be notified, at the specified e-mail addresses, of their user names, passwords and addresses for access to the data loading application of the CCR information system. From then on the reporting entities' administrators may register additional users with rights to load data.

Art. 7. (1) The (reporting entity's) administrators of the '*Data loading application of the CCR information system*' shall register the users in the application by filing an application for registration of users (screen form in the '*Data loading application of the CCR information system*'), and the BNB administrator shall confirm the application.

(2) The registered users shall be notified, at the specified e-mail addresses, of their user names, passwords and addresses for access to the '*Data loading application of the CCR information system*'. The reporting entity's administrator who has entered the applications for registration of users shall be notified by e-mail of the registered application users.

Art. 8. (1) Once the new participants have been connected to the CCR information system, they shall put current credit data into the CCR within 30 days in accordance with the 'Information on the technical and software readiness to report data to the Central Credit Register' (*Appendix No.3*). For this purpose data shall be loaded on the reporting entity's current borrowers (file BORR.txt) and on its current loan agreements (file CRED.txt), i.e. all current loans and borrowers as of the date when the data is prepared and loaded.

(2) After the successful credit data entry by the reporting entity, the BNB shall register and activate the administrators in the '*WEB application for certificates issued by the CCR information system*'. The administrators shall be notified by e-mail of their user names, passwords and addresses for access to the application.

(3) The registered administrators of the '*WEB application for certificates issued by the CCR information system*' shall have the right to register the reporting entity's users in the application. The administrators shall manage and be responsible for the users' access and operations in the '*WEB*

application for certificates issued by the CCR information system'. There shall be an internal user control procedure in place, assuring authorised access to the system, protection of the received information, and the reasons for credit indebtedness checks.

(4) The administrators may receive certificates on a group of borrowers' debts, in XML file format. The users registered by them may, electronically and in real time, receive credit data on the reporting entity's clients. If an administrator wants to receive certificates on one borrower's debts, he/she shall get registered as a user.

Art. 9. Reporting entities may, at their discretion, use the system functionality of automatically sending applications and receiving certificates on one borrower's debts in XML file format (automated interface). For this purpose they shall fill out and send to the BNB a registration form (Appendix No.5).

Art. 10. The BNB administrators shall register the reporting entities' administrators with rights to the automated interface only to use this functionality.

Art. 11. The reporting entities' administrators and users of the two applications of the CCR information system, who process information to and from the CCR, shall sign declarations for non-disclosure of the bank, professional and trade secrecy under art.19, par.4 and par.5 of BNB Ordinance No.22. The declarations shall be kept at the reporting entities.

Section IV

ENTERING DATA IN THE CCR INFORMATION SYSTEM BY REPORTING ENTITIES

Art. 12. (1) Under BNB Ordinance No.22, reporting entities shall be required to:

1. report to the Central Credit Register information on any new loan agreement or any change in a loan agreement, within 5 business days as of the date of the new agreement or of the change (art.10, par.2 of BNB Ordinance No.22) – current credit data, files BORR.txt and CRED.txt.

2. report to the Central Credit Register, by the 15th day of the month following the reporting month, data on the current state of all active loans granted to their clients as at the last date of the reporting month. When the 15th day is a non-business day, the monthly data shall be reported on the first business day after the 15th day. In the same timeframes reporting entities shall also report data on the corrections made to their clients' loans for previous reporting periods (art.10, par.3 of BNB Ordinance No.22) - monthly credit data, files CUCR.txt and CREV.txt.

(2) Together with the monthly data, reporting entities shall report the loans to be closed.

(3) A reporting entity may report monthly data relating to the current reporting period only when it has reported its monthly data relating to the preceding reporting period.

(4) A reporting entity shall report its first monthly data as at the reporting month in which it entered its first current credit data (files BORR.txt and CRED.txt). For example, if the reporting entity was

connected to the CCR information system in March and reported its first credit data (files BORR.txt and CRED.txt) in April, it shall report monthly credit data (files CUCR.txt) at 30 April, i.e. by the 15th of May.

Section V

MANAGING ACCESS OF THE REPORTING ENTITIES' USERS TO THE APPLICATIONS OF THE CCR INFORMATION SYSTEM

Art. 13. If a reporting entity does not report its monthly data in the timeframes specified in Section IV, item 2, the access of all its users (administrators and users) to the '*WEB application for certificates issued by the CCR information system*' shall be discontinued until the entry of the required data under art.26 of BNB Ordinance No.22 on the Central Credit Register.

Art. 14. If a reporting entity does not report its monthly data in the timeframes specified in the BNB Ordinance No.22, that reporting entity shall not receive the monthly files with aggregated data on its borrowers' credit indebtedness.

Art. 15. When an administrator in the '*Data loading application of the CCR information system*' or '*WEB application for certificates issued by the CCR information system*' is changed, the reporting entity shall fill out 'Registration form for a change of administrators in the CCR information system' (Appendix No.4).

Art. 16. In case of registration or change of an administrator having the right of access to the automated interface, the reporting entity shall fill out 'Registration form for administrators with the right of access to the automated interface in the '*WEB application for certificates issued by the CCR information system*' (Appendix No.5).

Art. 17. Biannually, in the periods of 1.04. - 15.04. and 1.10. - 15.10., the reporting entities of the CCR information system shall submit to the BNB the 'List of active users in the WEB application for CCR certificates' (Appendix No.6). If any mismatches are found between the submitted list and the information in the CCR database, the BNB application administrator may discontinue the access of the reporting entity's users who are not on the list - Appendix No.6.

Art. 18. All documents to be submitted by reporting entities to the BNB shall be signed by the persons managing and representing the reporting entities and shall be stamped.

Section VI

DISCONNECTING A REPORTING ENTITY FROM THE CCR INFORMATION SYSTEM

Art. 19. Under art.8 of BNB Ordinance No.22, a reporting entity shall be disconnected from the CCR information system in the following cases:

1. when its licence for conducting banking activity has been withdrawn under LCI or when the BNB has been notified by a Member State's competent supervisory body under art.84 of LCI of the withdrawal of the banking licence of a bank which has a branch in the Republic of Bulgaria;

2. when a financial institution has been deregistered under art.9 of the BNB Ordinance No.26 on financial institutions;

3. when the BNB has granted permission for voluntary liquidation of a bank;

4. when the licence of a payment institution or an electronic money institution has been withdrawn;

5. when a payment institution or an electronic money institution has wound up its business.

Art. 20. A reporting entity based in the Republic of Bulgaria and declared to be in bankruptcy or liquidation shall report information to the CCR under Ordinance No.22 up to the date of the court decision on its deregistration from the Commercial Register.

Art. 21. When a bank or financial institution based in a Member State or a bank based in a third country, operating in the Republic of Bulgaria via a branch, has been declared to be in bankruptcy or liquidation, and also when a decision has been taken on the closure of the branch of a bank or financial institution based in a Member State or of a bank based in a third country, information to the CCR shall be reported until its deregistration from the relevant public register in the Member State where it has been registered, and respectively until the deregistration of the branch.

Art. 22. A reporting entity shall be disconnected from the CCR information system by order of the Deputy Governor in charge of the BNB Banking Department. The order shall set the date of the reporting entity's disconnection. A transcript of the order shall be sent to the disconnected reporting entity.

Art. 23. The BNB shall ex officio close the data on all active loans granted by the disconnected reporting entity as of the date set in the order under art.9, par.1 of BNB Ordinance No.22 on the Central Credit Register, and when there is no legal successor, the credit data reported by the deregistration date shall not be seen in a certificate on one borrower's debts and in the information on a borrower.

FINAL PROVISIONS

§ 1. 'Guidelines for connecting institutions to, working with, and disconnecting from, the information system of the Central Credit Register' shall be supplemented, amended and approved by the Deputy Governor in charge of the Banking Department.

§ 2. These Guidelines are issued by virtue of art.9, par.2 and § 6 of the Transitional and Final Provisions of BNB Ordinance No.22 of 16 July 2009 on the Central Credit Register (amended, No.93 of 2015) and shall supersede 'Requirements for connection and work of banks, financial institutions, payment institutions and electronic money institutions in the information system of the BNB's Central Credit Register', adopted with Order No. PД 22-0828/24.04.2012 of the Deputy Governor in charge of the

Banking Department.

§ 3. The following appendices shall be inseparable parts hereof:

1. Application for getting connected to the information system of the Central Credit Register (Appendix No.1);

2. Registration form for connection to the Central Credit Register (Appendix No.2);

3. Information on the technical and software readiness to report data to the Central Credit Register, under art.6, item 3 of BNB Ordinance No.22 (Appendix No.3);

4. Registration form for a change of administrators in the CCR information system (Appendix No.4);

5. Registration form for administrators with the right of access to the automated interface in the 'WEB application for certificates issued by the CCR information system' (Appendix No.5);

6. List of active users in the WEB application for CCR certificates (Appendix No.6).