

INFORMATION ON NONPERFORMING LOANS ACT

Prom. SG. 95/21 Oct 1997, amend. SG. 105/29 Dec 2005

Art. 1. (1) Shall not be considered bank secret information regarding the facts and circumstances stipulated by Art. 3, para 1 regarding:

1. nonperforming loans granted by the Bulgarian National Bank and by the State Savings Bank to the commercial banks after July 1, 1991;

2. nonperforming loans granted by the commercial banks and by the State Savings Bank to physical persons and corporate bodies after January 1, 1987 amounting to more than the equivalence of five thousand Deutsche Marks at the fixing of the Bulgarian National Bank, according to Art. 3, para 2.

(2) (amend. - SG 105/05, in force from 01.01.2006) At the request of the prosecutors' authorities, of the investigation office and of the Ministry of the Interior, as well as of the bodies of the National Revenue Agency, the banks shall submit information on the accounts and deposits of the debtors of nonperforming loans, including in the bulletin of the Bulgarian National Bank, according to Art. 3, para 2.

Art. 2. Within 45 days from the entry into force of this Act the Chairman of the State Savings Bank, the persons who manage and represent the banks, including the assignees in bankruptcy of the banks declared insolvent, shall present at the Bulgarian National Bank information about:

1. the debtor;
2. the sum of the unpaid part of the credit and the amount of the unpaid interest;
3. the type and the amount of the securities against which the credit has been granted and the sufficient amount for covering the liability of the credit recipient;
4. the gathered information about the credit ability of the debtor and the credit project by the moment of granting the credit;
5. the activities undertaken for collecting the unpaid part of the credit;
6. the reasons for not paying the credit;
7. the measures undertaken for imposing sanctions and demanding proprietary liability of the credit recipient and of the persons in charge for the granting or failure to collect the nonperforming loan.

Art. 3. (1) The Deputy Governor managing department "Bank Supervision" of the Bulgarian National Bank, on the grounds of the information under Art. 2 and data from its own inspection, as well as on the grounds of the information about the refinancing, provided by the Bulgarian National Bank to commercial banks, within 75 days from the entry into force of this Act, shall prepare a list of the persons with nonperforming loans, containing information about:

1. the debtors of nonperforming loans;
2. the banks which have granted nonperforming loans;
3. the date on which the payment of the credit has been discontinued;
4. the amount of the unpaid part of the credit and the unpaid interest.

(2) Within three months from the enactment of this Act the Bulgarian National Bank shall publish in a special bulletin the information under para 1. If the credit recipient has used more than one loan from one or more banks they shall be indicated in the bulletin as a total sum.

(3) (amend. - SG 105/05, in force from 01.01.2006) The special bulletin shall be sent to the Chief Prosecutor's Office, to the Ministry of the Interior, the bodies of the National Revenue Agency, to the customs authorities and to the National Assembly.

Art. 4. Within six months from the publication of the special bulletin the Chief Prosecutor shall present to the Supreme Judiciary Council information presenting the results from the inspection made on the published cases, stating:

1. the instituted preliminary proceedings;
2. the discontinued cases and the grounds for that;
3. the cases for which preliminary proceedings have not been instituted and the grounds for that.

Art. 5. (1) The Supreme Judiciary Council shall hear the information of the Chief Prosecutor at an individual session, inviting for participation the governor and the under governor, managing bank department "Bank supervision" of the Bulgarian National Bank.

(2) The information presented by the Chief Prosecutor shall not represent official secret.

Administrative and Punitive Provisions

Art. 6. Official of the Bulgarian National Bank, the State Savings Bank and other commercial bank, who does not fulfil his obligation under this Act, shall be fined by up to one million, unless the deed represents a crime.

Art. 7. The acts of established violations under Art. 6 shall be issued by persons authorised by the under governor managing department "Bank supervision" and the penalty decrees shall be issued by him.

Additional provisions

Sole paragraph. In the context of this Act "nonperforming loan" is every credit, including the refinancing by the Bulgarian National Bank, on which, by the date of entry into force of the Act, there are overdue payments, delayed by over six months, and these sums have not been paid within 30 days from this date.

The Act was adopted by the 38th National Assembly on October 8, 197 and was affixed with the state seal.

Transitional and concluding provisions TO THE TAX-INSURANCE PROCEDURE CODE

(PROM. – SG 105/05, IN FORCE FROM 01.01.2006)

§ 88. The code shall enter in force from the 1st of January 2006, except Art. 179, Para 3, Art. 183, Para 9, § 10, item 1, letter "e" and item 4, letter "c", § 11, item 1, letter "b" and § 14, item 12 of the transitional and concluding provisions which shall enter in force from the day of promulgation of the code in the State Gazette.