



T A R I F F O F R A T E S
O F F E E S A N D C O M M I S S I O N S F O R
P R O C E S S I N G O F G O V E R N M E N T S E C U R I T I E S T R A N S A C T I O N S

<i>Service</i>	<i>fee/commission</i>
<p>1. Monthly fees for participation in the electronic systems:</p> <p>1.1. for participation in ESROT¹</p> <p>1.2. for participation in GSAS²</p>	<p>BGN 300</p> <p>BGN 300</p>
<p>2. Monthly fee for maintenance of a register, opening, keeping and closing of securities accounts</p>	<p>BGN 300</p>
<p>3. Fees and commissions for processing of documents for participation in auctions, registration and settlement of government securities on the primary market and upon maturity of issues:</p> <p>3.1. for each bid not admitted to grading;</p> <p>3.2. for each unapproved bid;</p>	<p>BGN 5</p> <p>BGN 5</p>

¹ Electronic System for Registration and Servicing of Trade in Government Securities

² Government Securities Auction System (a system for conducting auctions and subscriptions for sale of government securities)

<p>3.3. for approved bids – on the nominal value</p> <p>3.3.1. for short-term government securities – up to 1 year</p> <p>3.3.2. for medium-term and long-term government securities – over 1 year</p> <p>3.4. for redemption of matured issues – on the nominal value</p>	<p>0.03%</p> <p>0.05%</p> <p>0.02%</p>
<p>4. Fees for registration and settlement of transactions in government securities on the secondary market:</p> <p>4.1. For transactions under Art. 17 of Ordinance No. 5³ (paid by the transferor and the acquirer, respectively by the lender and the borrower)</p> <p>4.2. For transaction under Art. 20, para. 2 of Ordinance No. 5 (paid by the participant making the notification)</p> <p>4.3. For transaction under Art. 20, paras 4, 5, 6 and 7 of Ordinance No. 5 (paid by the participants filing the applications)</p> <p>4.4. For transaction in government securities used for participation in privatization deals (paid by the institution sending the notification)</p> <p>4.5. For <i>ex officio</i> transfer of government securities from the register of one participant to the register of another participant (paid by the participant into whose register the government securities are transferred, for each transferred issue)</p> <p>4.6. For cross-border transfer of government securities held by an ESROT participant to/from a foreign CSD (central securities depository) with no change of ownership (paid by the participants filing the applications)</p> <p>4.7. In case of refusal to register a transaction (paid by the participant who failed to provide government securities or funds in the cash settlement account in RINGS, in TARGET2 respectively, for the registration of the transaction)</p>	<p>BGN 5</p> <p>BGN 5</p> <p>BGN 5</p> <p>BGN 5</p> <p>BGN 10</p> <p>BGN 10</p> <p>BGN 10</p>
<p>5. Fees for blocking and unblocking of government securities conducted under Chapter Four of Ordinance No. 5</p>	<p>BGN 5</p>
<p>6. Fees for preparation of a statement - excerpt from the register under Art. 19 of Ordinance No. 5 (paid by the participant who requested the issuance of the statement):</p> <p>6.1. On the stock of government securities held by a participant, and of those held by its customers as a total amount, as of a particular date</p> <p>6.2. On the flow of government securities held by a participant, and of those held by its customers as a total amount</p>	<p>BGN 50</p> <p>BGN 100</p>

³ Ordinance on the Terms and Procedure for Acquisition, Registration, Redemption and Trade in Government Securities

I. General Provisions

1. Fees and commissions under this Tariff of Rates shall be collected *ex officio* by the Government Securities Depository in Bulgarian Levs from the cash settlement accounts in RINGS stated by the participants, as follows:

1.1. Under items 1 and 2 – from all participants with the exception of the Bulgarian National Bank (BNB) and the Ministry of Finance (MoF) on the first business day of the month, with the first fee to be collected on the date of inclusion in the system.

1.2. Under items 3.1, 3.2 and 3.3 – on the date of issue/payment;

1.3. Under items 3.4, 4 and 5 – on the date of maturity of the issue of government securities, registration of transactions, respectively, and the commission under item 3.4 shall be collected only for government securities issued after 1 September 1997.

1.4. Under items 3.3. and 3.4. – for issues of government securities issued in a foreign currency, for which payments are in the original currency, commissions shall be calculated in BGN at the BNB exchange rate of the respective currency to the Bulgarian Lev, calculations being made with rounding of the result to the second decimal place.

2. A state due is collected for registration of circumstances of government securities pledged as collateral pursuant to Art. 18, para. 3 of the Law on Registered Pledges, in accordance with a tariff approved by the Council of Ministers.

II. Services and Activities Covered by Fees and Commissions

Under item 1.1.:

- Arrangements for inclusion of a participant in the system (review and verification of documentation for participation in ESROT; organizing and conducting tests to establish the technical capabilities for communication via SWIFT and/or a WEB-based interface; consulting participants as to their work with ESROT, etc.);
- Preparation and keeping updated information in support of ESROT participants in relation to the government securities market (Operation Manual of the system; instructions how to complete SWIFT messages according to ISO 15022; regulatory documents regarding the government securities market; joint letters and instructions of MoF and BNB to participants; information materials about European initiatives on the securities settlement systems, etc.);
- Keeping a register of current data of ESROT participants (checking, changing and verification of participants' data);

- Current processing of filed applications/requests for registration/re-registration of external users for providing them with access to ESROT via the WEB-based interface when using a qualified electronic signature;
- System administration (starting, closing of the system day; maintaining configuration parameters – calendar of business days and holidays, business hours for acceptance of requests, exchange rates, BIR (Base Interest Rate), etc.; allocation/updating/termination of roles and rights of access to system functionalities; current monitoring of system operation);
- Organizing and conducting tests with participants when implementing new functionalities, under the plan of continuity of business processes, upon a participant's request, etc.

Under item 1.2:

- Preparation of selected primary dealers for inclusion in GSAS - organizing and conducting of tests, consultations for work with GSAS, provision of methodological assistance, etc.;
- Inclusion of applicants granted membership rights in the GSAS register, and current processing of applications filed for provision of access to specifically determined employees of a participant, who are authorized to file bids for participation in auctions and to obtain information of auction results;
- Preparation and publishing of topical information in support of GSAS participants (Manual of Operation of the System for acceptance of bids for participation in auctions of government securities (SAB); the rights of use of different types of sub-messages; joint guidelines of the MoF and BNB in relation to organizing and conducting of government securities auctions, etc.);
- Current administration of GSAS and of the means of communication with its participants (SWIFT and SAB) – monitoring of operation; maintaining of nomenclatures used by the systems, etc.;
- Maintaining and improving the functionality of GSAS in line with participants' recommendations;
- Organizing and conducting of tests upon request by a GSAS participant and in case of change of any functionality of the system as a result of changes occurred in the regulatory framework and/or the issuing policy pursued by the MoF;
- Excluding a participant from the system and immediate termination of its access to it.

Under item 2:

- Opening and maintaining of a register for a participant of the government securities held by the participant; the government securities held by its customers as a total amount;

- Opening, servicing and closing of government securities settlement accounts for each issue: for the government securities held by the participant; for the government securities held by its customers as a total amount; for the encumbered government securities owned by the participants;
- Current reconciliation of government securities kept in the register of an ESROT participant and the government securities in the government securities settlement accounts opened in the government securities settlement system (GSSS) within the system day;
- Monthly reconciliation of data of government securities kept in the registers of ESROT participants with data of the government securities held by them, and of those held by their customers as a total amount, in the systems for registration of government securities maintained by them (validation of in-coming files; sending notifications to participants in case of successful reconciliation, as well as where the data do not reconcile with a request for them to send a correction file; generation of a protocol of the outcome, etc.);
- Monthly reconciliation of data of government securities of ESROT participants' customers, which are not sub-depositories of government securities, with those in the statements sent by sub-depositories;
- Opening and maintaining of a register for entering the circumstances in relation to pledges made by an ESROT participant on government securities held by it under the Law on Registered Pledges (review and checking of documents; entering into a tripartite agreement; checking of availability of government securities subject of a pledge and their blocking in ESROT and in the government securities account as encumbered; registration of the circumstances of a pledge in the register; issuing a confirmation of the entry made, and statements of accounts and certificates upon request);
- Preparation and verification of instructions for collection of monthly fees due from participants under items 1 and 2 of the Tariff of Rates;

Under item 3

Fees and commissions for processing of documents for participation in government securities auctions:

- Entering in GSAS of the terms and conditions, as set out by MoF, of a forthcoming auction and notification of participants about them;
- Current monitoring of GSAS with a view to immediate return of a notification to the respective participant if there is any error established by the input check made by the system as to the format, date and time of receipt of each electronic message;
- Converting electronic messages received via regulated communication means, for the purpose of visualisation of the data in each bid;
- Checking and eliminating bids which do not meet the requirements of Ordinance No. 5 and the terms and conditions of the specific auction;

- Grading of bids admitted to participation in the auction in accordance with the effective regulations while in compliance with the terms and conditions set out for the specific auction by the Minister of Finance;
- Making second grading of bids admitted to participation in an auction, where the Minister of Finance, upon approval of the results thereof, changes one or more of the parameters announced in advance – increasing/decreasing of the amount of the issue of government securities, including the amount of competitive and no-competitive bids; introducing a minimum price, etc.;
- Closing of the auction as per the parameters approved by the Minister of Finance – quantity (including the amount of competitive and no-competitive bids); minimum price, etc.
- Notification of each participant of the approved bids – in total and individually for each of its customers;
- Summarizing of information of approved bids (including for its own account and for customers' account) separately for each ESROT participant (primary and non-primary dealer) participating in the auction; calculation of the amount due by it for their acquisition – as a total amount and by individual components: principal, interest, discount and margin; submission of this information into ESROT;
- Summarizing of information of approved bids received from GSAS participants on behalf of their customers, which are not ESROT participants; submission of this information into ESROT for registration and settlement purposes;
- Storing of received bids in a manner ensuring the confidentiality of the bids made;
- Current publication on the BNB website of topical information about the terms and conditions of the auctions and the results thereof;
- Compilation and keeping periodic statistical information of participation in government securities auctions for external and internal users.

Fees and commissions for registration and settlement of government securities on the primary market and current servicing of payments for maturing government securities:

- Verification and registration in ESROT of the terms and conditions and parameters of each issue of government securities and input control of the results coming from the conducted auction in GSAS;
- Preparation and checking of instructions for settlement on cash settlement accounts and government securities settlement accounts of participants, and of the fees due from them;
- Checking in the participant's register – if it holds the required amount of government securities subject of repurchase and/or their replacement with government securities of other issues;
- Entering in the register kept for the participant of newly acquired, repurchased, replaced and matured government securities on its own behalf and for its own account, and as a total amount on behalf of and for the account of its customers;

- Periodically updating in ESROT the amount of the interest coupon for issues with floating interest rate and notifying it to participants;
- Coordinating with the issuer the amount of each forthcoming payment on maturing issues of government securities;
- Notification of participants of forthcoming, and confirmation of effected, corporate actions via SWIFT by messages MT564 and MT566;
- Calculation of the specific amount (principal and/or interest), which should be paid to each ESROT participant for the government securities held by it, and as a total amount for those held by its customers, by maturing issues;
- Preparation and verification of instructions for settlement on cash settlement accounts and government securities settlement accounts, and of the fee due from participants upon maturity of an issue of government securities;
- Monitoring of the status of processing of settlement instructions to the ultimate finalization of settlement on the cash settlement accounts in RINGS and TARGET2, and on the government securities settlement accounts;
- Notification of a participant of the registration and settlement effected on the cash settlement accounts and government securities settlement accounts, including of the amount of redemption payments on the government securities held by them, and as a total amount for those held by their customers, for issues which mature in equal redemption payments;
- Preparation, verification, supplying reports, information sheets and statements of accounts for registration and settlement purposes;
- Support and servicing of a statistics module with data base of the government securities market, and of documentary records of the government securities operations and transactions effected;
- Preparation and publishing of periodic statistical information of the government securities market (quarterly bulletin; daily information sheets of: prices and yields of the concluded transactions in government securities; prices of issues of government securities used for calculation of the amount of government securities blocked to secure government budget funds held with banks; value of government securities used as collateral of each bank servicing government budget funds, etc.)

Under items 4 and 5:

- Input control, monitoring and matching of instructions received via SWIFT and the WEB-based interface of ESROT: requests/notifications of transactions in government securities between participants in the system and/or with and between their customers; notifications of blocking/unblocking of government securities;

- Checking in the register of the participant - transferor/lender of government securities, if it holds the necessary quantity of government securities subject of the transaction, reserving the relevant nominal value, respectively;
- Preparation and verification of instructions for settlement on the cash settlement accounts and/or government securities settlement accounts of the parties to a transaction and of the fees due from them;
- Monitoring the status of processing of settlement instructions to the ultimate finalization of settlement on the cash settlement accounts in RINGS and TARGET2, and/or on the government securities settlement accounts of the parties to the transaction;
- Posting of transferred government securities in the registers of participants and/or their customers and preparation of confirmations via the WEB-based interface and/or SWIFT to ESROT participants;
- Reconciliation and transfer of government securities registers in case of termination of participation in ESROT;
- Preparation of an instruction of the fee due from the respective participant in case of settlement fails of transactions in government securities due to insufficient balance in the government securities settlement account of the transferor, or due to insufficient balance in the cash settlement account of the acquirer as of the end of the system day.

Under item 6:

- Preparation and provision of an excerpt from the register indicating the balance of government securities held by the participant, and of the government securities held by its customers as a whole, as of a particular date, based on the participant's request received at ESROT (via SWIFT, the WEB-based interface of ESROT or on paper);
- Preparation and provision of excerpts from a register indicating the movement of government securities held by the participant, and of the government securities held by its customers as a whole, for a period of time, based on the participant's request received at ESROT (via SWIFT, the WEB-based interface of ESROT or on paper).

The BNB reserves its right to change the amount of the fees and commissions depending on the condition of the financial market.

The Tariff of Rates was adopted pursuant to Art. 2, para.4, item 2 of Ordinance No. 5 of 2007 of MoF and BNB by Resolution No. 88 of 31 October 2013 of the BNB Governing Council and became effective from the date of effectiveness of the Ordinance amending and supplementing Ordinance No. 5 of MoF and BNB, and of the Ordinance amending and supplementing Ordinance No. 31 of BNB, adopted by resolutions of the BNB Governing Council, No. 86 and No. 87 of 31 October 2013, respectively. The Tariff

of Rates was amended and supplemented, adopted by resolutions by the BNB Governing Council, No. 8 of 26.01.2017 and became effective from 01.02.2017.