

ORDINANCE No 17

of 7 July 2004

on the documents required for the issuance of permission for transformation of a pension insurance company and additional pension insurance fund and the requirements to the plans under art. 327, para 1, item 3 and art. 336, para 1 of the Social Security Code

Issued by the chairperson of the Financial Supervision Commission, promulgated, SG, issue 65 of 27 July 2004, amended and supplemented, issue 102 of 5 December 2007, in effect as of 9 December 2007

Section I

General provisions

Art. 1. This Ordinance shall set out:

1. (supplemented - SG, issue 102 of 2007) the documents required to obtain a permission for transformation of pension insurance companies and additional pension insurance funds, hereunder referred to as "funds", under art. 321, para 1, item 4 and art. 323, para 2 of the Social Security Code (SSC) and the requirements to the content of these documents;

2. the documents required to obtain permission for voluntary termination of the pension insurance company under art. 327, para 1, item 4 of the Social Security Code (SSC) and the requirements to the content of these documents;

3. the requirements to the content of the liquidation plan of the pension insurance company;

4. the requirements to the content of the trustee's plan in case of bankruptcy of the pension insurance company.

Section II

Documents required to receive permission for transformation through pooling and merger of pension insurance companies and the requirements to their content

Art. 2. (1) (supplemented - SG, issue 102 of 2007) To obtain a permission under the provisions of art. 321 of SSC for transformation through pooling or merger the pension insurance companies shall file with the Financial Supervision Commission, referred to hereunder as the "Commission" with a request in a standard format approved by a deputy chairperson of the Commission, head of Social Security Supervision Division, hereunder referred to as the "deputy chairperson", and they shall enclosed the following thereto:

1. (revoked - SG, issue 102 of 2007, in effect as of 1 January 2008);

2. the decision for transformation through pooling or merger taken by the general assembly of the shareholders of each transforming or receiving company under art. 262o of the Commercial Act (CA), including decisions regarding:

a) approval of the transformation contract;

b) increase of the capital of the receiving company in case of merger;

c) the management or transformation of each fund;

d) the order and the manner to determine the ration of exchange of the shares of the insured persons and the retired persons as at the date of transformation under art. 263g, para 1 of the CA;

e) (revoked - SG, issue 102 of 2007);

3. the transformation contract;

4. the report of the management body of each company involved in the transformation under art. 262i of the CA;

5. the report of the reviewer under art. 262m of CA, which shall include an opinion on the financial security of the company and its solvency after the transformation, the guarantees for maintaining the rights of the insured persons and retirees in the funds managed and the adequacy of the order and manner to determine the exchange ratio for their shares;

6. expert assessment of the specific use of the rules used to evaluate the funds' assets, the truthfulness of the data on the investment portfolios of the funds managed and the yield generated by each fund separately, contained in the transformation contract, as well as declaration that the experts comply with the requirements of para 3;

7. the articles of association of the newly formed company or the amended and supplemented articles of association of the receiving company;

8. (supplemented - SG, issue 102 of 2007) the financial statements of the company and the funds managed by it, with the components under art. 26, para 1 of the Accountancy Act, as well as the financial statements under art. 11 of Ordinance No 36 of 2006 on the technical reserves to the additional voluntary pension insurance fund under professional schemes (Ordinance No 36) (SG, issue 96 of 2006), prepared as at the date under art. 3, item 12 ;

9. the schedules on the amount of equity and liquid funds in accordance with art. 8, items 1 and 2 of Ordinance No 10 of 2003 on the requirements to the composition and structure of equity (capital base) of the pension insurance company and to the minimum liquid funds of the company and the additional pension insurance funds managed by it (Ordinance No 10) (SG, issue 109 of 2003), prepared as at the date under art. 3, item 12 ;

10. the schedules on the value of net assets, the number of shares and the value per share in accordance with art. 23, para 1 of Ordinance No 9 of 2003 on the manner and order for

evaluation of assets and liabilities of additional pension insurance funds and the pension insurance company, the value of the fund's net assets, for calculation and announcement of the value per share and on the requirements to the keeping of individual batches (Ordinance No 9) (SG, issue 109 of 2003) of each fund managed, prepared as at the date under art. 3, item 12 ;

11. (new - SG, issue 102 of 2007) the schedules on the reserves set aside to guarantee the minimum yield of each additional mandatory pension insurance fund in accordance with art. 9 of Ordinance No 12 of 2003 on the manner and order to determine the minimum yield in the management of the assets of additional mandatory pension insurance funds to cover the different to the minimum yield and on the formation and use of the reserves to guarantee the minimum yield (Ordinance No 12) (SG, issue 110 of 2003), prepared as at the date under art. 3, item 12;

12. (new – SG, issue 102 of 2007) the schedules on the value of assets to cover the technical reserves in accordance with art. 10, para 2 of Ordinance No 36, prepared as at the date under art. 3, item 12;

13. (previous item 11 - SG, issue 102 of 2007) permission of the Commission for Protection of the Competition in accordance with art. 321, para 1, item 2 of SSC;

14. (previous item 12 – SG, issue 102 of 2007) in respect of the newly established company – the documents under art. 122a, para 1, item 3, 4 and 6 - 9 and para 3 of SSC;

15. (previous item 13 - SG, issue 102 of 2007) in respect of the receiving company – the documents under art. 122a, para 1, item 6, 8 and 9, and in case of changes in the management and control bodies – the documents under art. 122a, para 1, item 3, 4 and 7 of SSC;

16. (previous item 14, supplemented - SG, issue 102 of 2007) the rules on the organisation and operation of the funds managed following the transformation and the decisions for their change or acceptance;

17. (previous item 15, amended - SG, issue 102 of 2007) the biometric tables and actuarial breakdowns on the pension schemes offered by each fund following the transformation and the personal data of the actuary in charge in the company;

18. (previous item 16 - SG, issue 102 of 2007) the standard forms of social security and pension contracts for each fund after the transformation, as well as the formats of the notifications under art. 340, para 1 and 2 of SSC;

19. (previous item 17 - SG, issue 102 of 2007) the draft contracts with investment intermediaries and contracts with trustee banks in respect of operations after the transformation;

20. (new - SG, issue 102 of 2007) rules for the valuation of assets and liabilities of the pension insurance company and the funds managed by it after the transformation;

21. (new - SG, issue 102 of 2007) the internal rules under art. 176, para 3 of SSC after the transformation;

22. (new - SG, issue 102 of 2007) the investment policy of the additional voluntary pension insurance fund by professional schemes under art. 251c of SSC after the transformation;

23. (previous item 18 - SG, issue 102 of 2007) the schedule on the organisational structure of the newly established or receiving company and its staffing security;

24. (previous item 19 – SG, issue 102 of 2007) documents evidencing the fee paid under item 4.8, point "a" of the appendix to art. 27, para 2 of the Law on the Financial Supervision Commission.

(2) The written reports of the management bodies under para 1, item 4 should include the items listed below in addition to the attributes under art. 262i of the CA:

1. data on the appointed experts under para 3;

2. rationale of the reasons which necessitate the transformation;

3. the order and manner to determine the exchange ratio of the shares of insured people and retirees in the funds managed as at the date of transformation under art. 263g, para 1 of CA, the funds asset valuation methods and the difficulties in the process of valuation, if any have occurred.

(3) The expert evaluation under para 1, item 6 shall be drawn up by at least three independent experts approved by the management bodies of each company participating in the transformation, who shall have professional qualification and experience in the area of property and investment valuation and who, during the last 3 years, have not had employment or civil contract relations with any of the companies participating in the transformation and who are not spouses, relatives up to third direct or lateral branch, including in-laws, to a member of their management or control bodies.

Art. 3. In addition to the attributes under art. 262g, para 1, item 1 – 7 and 9 of the CA, the transformation contract of the pension insurance company under. 2, para 1, item 3 shall contain obligatory:

1. (amended - SG, issue 102 of 2007) the guarantees for the maintenance of the rights of the insured persons and retirees and the obligations that the parties shall undertake to them in relation with the transformation, including the manner and order for notification in accordance with art. 340, para 1 of the SSC to each insured person, retired person, person making social security contributions, company making social security contributions as to their rights;

2. valuation of the assets and liabilities of each fund, managed by a participant in the transformation, net value of the fund's assets, total number of shares and value per share;

3. the order and manner in which the exchange ratio shall be determined for the shares of the insured persons and retirees as at the date of transformation under art. 263g, para 1 of CA;

4. rationale of the valuation under item 2 and the order and the manner to determine the exchange ratio under item 3, the assets and liabilities valuation rules, which shall be adopted after

the transformation, as well as indication of the asset and liabilities valuation rules for each company participating in the transformation;

5. composition and structure of the investment portfolio of each fund managed by the parties under the contract and the yield achieved on the investment of its funds over the past two years;

6. number of insured people and retirees in each fund managed by the parties;

7. total number of pensions paid and amount of funds paid by types of pensions for each fund managed by the parties for a one-year period;

8. amount of liabilities undertaken by the parties under the contract to insured people, retirees and their heirs, by types of payments for each fund managed;

9. (amended - SG, issue 102 of 2007) total amount of the pension and technical reserves set aside by the respective funds in each company participating in the transformation, their correspondence with the liabilities undertaken to the retirees and the method of their management after the transformation;

10. amount of reserves set aside in accordance with art. 193, para 8 of SSC in each company participating in the transformation;

11. statements that the data under item 2 and 5 - 10 are determined as at the date under item 12;

12. the date as of which the activities of the transforming entities shall be considered carried out at the expense of the newly established or receiving companies and the funds managed by them for the purposes of accounting and which may not precede the date of the contract by more than one month;

13. data on the trustee banks of the funds managed by each party under the contract and the trustee banks of the funds after the transformation;

14. the order for the transfer of cash and transfer of dematerialised securities to accounts with the new trustee banks and for the submission of materialised securities, title documents and other documents related to the implementation of the contract for trustee services for each fund managed by the parties;

15. (supplemented - SG, issue 102 of 2007) order and method for transfer of the pension reserves set aside by the transforming companies, as well as the order and method for transfer of assets to cover the technical reserves under art. 213a of SSC;

16. order and method for transfer of the archives (records) of the funds of the transforming companies and the people in charge for this process;

17. (amended - SG, issue 102 of 2007) method for the electronic exchange of information, the persons in charge of the exchange, as well as the system, which shall be adopted after the

transformation;

18. the overall accounting policy which shall be adopted, as well as the methods for overcoming the differences between the accounting policies of the companies participating in the transformation;

19. data on the experts under art. 2, para 3 .

Section III

Documents required to obtain permission for transformation through demerger or divestiture of pension insurance companies and requirements to their content

Art. 4. (1) (supplemented - SG, issue 102 of 2007) To obtain permission for transformation through demerger or divestiture the pension insurance companies shall file with the Commission a request in a standard format approved by a deputy chairperson accompanied by:

1. (revoked - SG, issue 102 of 2007, in effect as of 1 January 2008);

2. the decision for transformation through demerger or divestiture of the general assembly of each transforming or receiving company, in accordance with art. 262o of CA, including decisions on:

a) the management of the funds after the transformation;

b) the order and the method for definition of the ratio of exchange of the shares of insured persons and retired people as at the date of the transformation under art. 263h, para 1 of CA, in the cases when upon demerger or divestiture a fund managed merges with another fund;

c) (revoked - SG, issue 102 of 2007);

d) increase, respectively decrease, of capital;

3. the transformation contract between the transforming company and the receiving companies, when the property of the transforming company and the management of funds established by it shall pass to existing pension insurance companies;

4. the transformation plan when the property of the transforming company and the management of funds established by it shall pass to newly established pension insurance companies;

5. the permission of the Commission for Protection of the Competition in the cases under item 3;

6. (amended - SG, issue 102 of 2007) the documents under art. 2, para 1, т. 4 - 12 и 14 - 24 .

(2) In addition to the attributes under art. 3 the contract for transformation through demerger

or divestiture shall include data as to the allocation of the funds after the transformation with statement of the company which shall manage each of them in accordance with art. 318, para 4 of SSC.

(3) The transformation plan shall include the data contained in the transformation contract under para 2, as well as the data under art. 262g, para 3 of the CA.

(4) The written reports of the management bodies as to the demerger or divestiture and the expert evaluation should meet the requirements of art. 2, para 2, respectively art. 2, para 1, item 6.

Section IV

Documents required to obtain permission for transformation of additional pension insurance fund and requirements to their content

Art. 5. (1) (Amended - SG, issue 102 of 2007) To obtain permission for transformation of additional pension insurance fund under the terms and conditions of art. 320, para 4 of SSC the pension insurance companies shall file a request in a standard format approved by the deputy chairperson to which the following documents shall be enclosed:

1. (revoked - SG, issue 102 of 2007, in effect as of 1 January 2008);
2. the decision as to the merger of the fund passed by the general assembly of the shareholders of each pension insurance company participating in the transformation;
3. the permission of the Commission for Protection of the Competition in accordance with art. 323, para 2 of SSC;
4. the plan for transformation of the fund;
5. the report of the reviewer meeting the requirements of art. 262l, para 2 and 3 of the CA;
6. the report of the management body of each company participating in the transformation;
7. the expert evaluation of the fund's transformation plan prepared by an independent expert meeting the requirements of art. 2, para 3 ;
8. (supplemented - SG, issue 102 of 2007) the financial statements of each pension insurance company and the merging and receiving fund containing the components in accordance with art. 26, para 1 of the Accountancy Act as well as the financial statements under art. 11 of Ordinance No 36 , prepared as at the date under para 4, item 15;
9. the schedules as to the amount of equity and liquid funds in accordance with art. 8, item 1 and 2 of Ordinance No 10 of each company and the merging and the receiving fund as at the date under para 4, item 15;

10. the schedules on the value of net assets, the number of shares and the value per share in accordance with art. 23, para 1 of Ordinance No 9 of the merging and the receiving fund as at the date under para 4, item 15;

11. (new - SG, issue 102 of 2007) the schedules as to the reserve set aside to guarantee the minimum yield of each additional mandatory pension insurance fund in accordance with art. 9 of Ordinance No 12 drawn up as at the date under para 4, item 15;

12. (new - SG, issue 102 of 2007) the schedules on the value of assets to cover the technical reserves in accordance with art. 10, para 2 of Ordinance No 36, drawn up as at the date under para 4, item 15;

13. (previous item 11, supplemented - SG, issue 102 of 2007) the amended and supplemented rulebook of the receiving fund and the minutes of the meeting of the respective management body containing the decision on its amendment;

14. (previous item 12 - SG, issue 102 of 2007) the biometric tables and the actuarial calculations on the pension schemes offered by the receiving fund after the transformation;

15. (previous item 13 - SG, issue 102 of 2007) the samples of the insurance and pension contracts of the receiving fund after the transformation, as well as the templates of the notifications under art. 340, para 1 and 2 of SSC;

16. (previous item 14, amended – SG, issue 102 of 2007) the preliminary contract for trustee services, if a replacement of the trustee bank shall be envisaged for the receiving fund;

17. (new - SG, issue 102 of 2007) the rules for the valuation of the assets and liabilities of the pension insurance company and the funds managed by it after the transformation;

18. (new - SG, issue 102 of 2007) the internal rules under art. 176, para 3 of SSC after the transformation;

19. (new - SG, issue 102 of 2007) investment policy of the additional voluntary pension insurance fund by professional schemes under art. 251c of SSC after the transformation;

20. (previous item 15 - SG, issue 102 of 2007) the schedules on the software and technical provisioning of the information system of the company managing the receiving fund;

21. (previous item 16 - SG, issue 102 of 2007) the schedule on the organisation structure of the company managing the receiving fund and its staffing;

22. (previous item 17 - SG, issue 102 of 2007) the document as to the fee paid under item 4.8, point "a" of the appendix to art. 27, para 2 of the Law on the Financial Supervision Commission.

(2) By virtue of the decision for the transformation of the fund the general assembly of the shareholders of the company managing the merging fund:

1. shall approve the fund's transformation plan;

2. shall make decisions as to the termination of the fund without liquidation with an explicit statement of the receiving fund, the compliance with the terms and conditions of general succession upon merger, the maintenance of the rights of the insured people and the retirees and the order and method for definition of the exchange ratio of their shares as at the date of entering of the transformation into the Commercial Register;

3. (revoked - SG, issue 102 of 2007).

(3) By virtue of the decision for transformation of the fund the general assembly of the shareholders of the company, managing the receiving fund:

1. shall approve the plan for transformation of the fund;

2. shall make decisions for merger of the transforming fund into the respective fund managed by it, with an explicit statement of the two funds, the compliance with the terms and conditions of general succession upon merger, the maintenance of the rights of the insured people and the retirees from the merging and the receiving fund and the order and method for definition of the exchange ratio of their shares as at the date of entering of the transformation into the Commercial Register;

3. (revoked - SG, issue 102 of 2007).

(4) The plan for the transformation of the fund under para 1, item 4 should be drawn up in writing, it should be signed by the members of the management board or the board of directors of each company participating in the transformation with notarised signatures of the authorised representatives and should obligatory contain:

1. the name, seat and address of management of the companies managing the merging and the receiving fund;

2. the name of the merging fund and the respective receiving fund;

3. any advantage given to the reviewer under para 1, item 5 or the members of the management and control bodies of the companies participating in the transformation;

4. (amended - SG, issue 102 of 2007) the guarantees for the maintenance of the rights of the insured persons and the retirees in the merging and the receiving fund and the obligations undertaken by the companies towards them in relation to the transformation, including the order and the method for notification, the guarantees for maintaining the rights of the insured persons and the retirees and the obligations undertaken by the parties to them in relation to the transformation, including the method and order for notification in accordance with art. 340, para 1 of SSC of each insured person, retiree, person making social security contributions and company making social security contributions as to their rights;

5. the valuation of the assets and liabilities of the merging and receiving fund, the net value of the assets, the total number of shares and the value per share for each fund;

6. the order and method to determine the exchange ratio for the shares of the insured persons and the retirees;

7. the justification of the valuation under item 5, mentioning the rules for the valuation of assets and liabilities of each company participating in the transformation, as well as the rules, which shall be adopted after the transformation;

8. the composition and structure of the investment portfolio of the merging and the receiving fund and the yield achieved as a result of investment of the funds over the last two years;

9. the number of insured persons and retirees in the merging and the receiving fund;

10. the total amount of pensions paid and the amount of funds paid by types of pensions for the merging and the receiving fund over a one-year period;

11. the amount of the liabilities undertaken by the companies to the insured persons, retirees and their heirs by types of payments for the merging and the receiving fund;

12. (amended - SG, issue 102 of 2007) the total amount of pension and technical reserves set aside for the respective fund in each company participating in the transformation, their correspondence to the liabilities undertaken to the retirees and the method of their management after the transformation;

13. the amount of the reserves set aside for the respective fund under the provisions of art. 193, para 8 of SSC in each company participating in the transformation;

14. statement that the data under items 5 and 8 - 13 are determined as at the date under item 15;

15. the date as of which the activities of the companies participating in the transformation shall be considered executed at the expense of the receiving fund for accounting purposes, which date may not precede the transformation plan by more than one month;

16. data as to the trustee banks of the merging and the receiving fund and the trustee bank of the receiving fund after the transformation;

17. the order for the transfer of the cash to the account with the new trustee bank, for the transfer of the dematerialised securities under the fund of the register held by the existing trustee bank from the account with this bank to the account with the new trustee bank and the submission of the available securities, title documents and other documents related to the fulfilment of the trustee services agreement for the merging fund;

18. (supplemented - SG, issue 102 of 2007) the order and method for transfer of the formed pension reserve of the company managing the merging fund to the company managing the

receiving fund, as well as the order and method for transfer of the assets to cover the technical reserves under art. 213a of SSC;

19. order and method for transfer of the archives of the merging fund and the persons in charge of that;

20. the compatibility of the information systems, the method to carry out the electronic exchange of information and the people in charge of the exchange;

21. the common accounting policies which shall be adopted, as well as the methods to overcome the differences between the accounting policies of the companies participating in the transformation.

(5) The report of the reviewer under para 1, item 5 shall obligatory contain an opinion on the guarantees to maintain the rights of the insured persons and retirees in the merging fund, respectively in the receiving fund, and the adequacy of the order and method envisaged to determine the exchange ratio for their shares.

(6) The report of the managing body under para 1, item 6 shall include detailed legal and economic justification of the transformation plan, data on the appointed reviewer and expert under para 1, item 5 and 7, justification of the reasons for the transformation, justification of the order and method used to determine the exchange ratio for the shares of the insured persons and retirees in the managed funds, as well as the asset valuation rules in the fund and the difficulties related to the valuation, if any.

(7) The expert valuation under para 1, item 7 should contain an opinion regarding the specific use of the rules under which the fund's assets have been valued, the truthfulness of the data on the investment portfolio in the transformation plan and the accuracy of the yield achieved.

Section V

Documents required to obtain permission for voluntary termination of a pension insurance company. Requirements to the content of the liquidation plan

Art. 6. (1) (Supplemented - SG, issue 102 2007) To obtain a permission for voluntary termination under the provisions of art. 327 of the SSC the pension insurance company shall file with the Commission a request in a standard format approved by the deputy chairperson, accompanied by:

1. (revoked - SG, issue 102 of 2007, in effect as of 1 January 2008);
2. (revoked - SG, issue 102 of 2007, in effect as of 1 January 2008);
3. the decision of the general assembly of the shareholders for voluntary termination of the company and initiation of liquidation proceedings and the decisions:

a) by virtue of which the deadline for liquidation, the liquidators and their remuneration shall be set;

b) by virtue of which the liquidation plan under item 7 shall be approved;

c) for transformation of the funds managed by it in accordance with art. 325 of SSC, including the decisions under art. 5, para 2;

4. the decisions of the general assemblies of the shareholders of the companies managing the receiving funds in accordance with art. 5, para 3;

5. the request to the deputy chairpersons for obtaining permission for transformation of the managed funds in accordance with art. 323 of SSC;

6. (amended - SG, issue 102 of 2007) the documents under art. 5, para 1, item 3 - 7 and 13 – 22;

7. the liquidation plan with an appendix in accordance with art. 327, para 2 of SSC;

8. the financial statements containing the components under art. 26, para 1 of the Accountancy Act of the terminating company as at the date of the termination decision under item 3;

9. (supplemented - SG, issue 102 of 2007) the financial statements containing the components under art. 26, para 1 of the Accountancy Act of the transforming and the receiving funds, as well as the financial statements under art. 11 of Ordinance No 36, prepared as at the date under art. 5, para 4, item 15 ;

10. schedule on the amount of equity and liquid funds of the company in accordance with art. 8, item 1 of Ordinance No 10 as at the date of the termination decision;

11. schedule on the liquid funds of the transforming and receiving funds in accordance with art. 8, item 2 of Ordinance No 10 as at the date under art. 5, para 4, item 15 ;

12. schedules on the value of the net assets, the number of shares and the value per share in accordance with art. 23, para 1 of Ordinance No 9 of the transforming and receiving funds as at the date under art. 5, para 4, item 15 ;

13. (new - SG, issue 102 of 2007) schedules on the reserve set aside to guarantee the minimum yield of each additional mandatory pension insurance fund in accordance with art. 9 of Ordinance No 12 prepared as at the date under art. 5, para 4, item 15 ;

14. (new - SG, issue 102 of 2007) the schedules on the value of the assets to cover the technical reserves in accordance with art. 10, para 2 of Ordinance No 36, prepared as at the date under art. 5, para 4, item 15 ;

15. (previous item 13 - SG, issue 102 of 2007) data on the liquidator – name (first, paternal

and family), personal ID number and address registration, professional experience and qualifications, as well as the following documents thereto:

- a) certificate of criminal record;
- b) copy of the higher education diploma;
- c) declaration that he / she has not been a trader declared in bankruptcy and is not in bankruptcy proceedings;
- d) declaration that he / she has not been a member of a management or control body, or unlimited partner in a company, against which bankruptcy proceedings have been initiated, or in a company terminated due to bankruptcy, if unsatisfied creditors have remained.

(2) The liquidation plan under para 1, item 7 shall include data on the assets and liabilities of the company, the order for receivables collection, the order for settlement of liabilities, the costs of liquidation, other necessary data, as well as an appendix containing:

1. the order and method, including management, organisational, technical and other steps to implement the plans for transformation of the funds managed;

2. the order and method for provision of information to the deputy chairperson under art. 330 of SSC.

Art. 7. (1) In case of enforced termination of the pension insurance company as provided for in art. 331, para 5 of SSC the liquidator appointed by the court shall provide to the deputy chairperson liquidation plan having the content stated in art. 6, para 2 .

(2) In the case under para 1 the funds transformation plans shall be based on contracts concluded by the liquidator with other pension insurance companies for merger of the respective funds managed by the company into funds managed by them. The transformation plan shall be signed by the liquidator and the members of the management board or the board of directors of the receiving companies and shall have the form and content under art. 5, para 4 .

Section VI

Requirements to the content of the plan of the trustee in case of bankruptcy of a pension insurance company

Art. 8. (1) In case of bankruptcy of a pension insurance company as provided for in art. 336, para 1 of SSC the trustee shall provide the deputy chairperson with a plan for merger of the funds managed into the respective funds of other companies.

(2) The plan of the trustee should include:

1. The order and method, including management, organisational, technical and other steps to implement the transformation plans of the managed funds;

2. the order and method for provision of information to the deputy chairperson in accordance with art 330 of SSC.

(3) In the case under para 1 the funds transformation plans shall be based on contracts concluded by the trustee with other pension insurance companies for merger of the respective funds managed by the company into funds managed by them. The transformation plan shall be signed by the trustee and the members of the management board or the board of directors of the receiving companies and shall have the form and content under art. 5, para 4

ADDITIONAL PROVISION

§ 1. (Amended - SG, issue 102 of 2007) "Ratio of exchange of the shares" shall be a financial mechanism by virtue of which upon transformation of additional pension insurance funds the number of shares in the individual batches of the insured persons and retirees, as well as in the respective batches of the reserves under art. 193, para 7 of SSC shall be restated in the transforming funds, while the amount of the accumulated funds in these batches shall not be changed after the restatement of the number of its shares.

TRANSITIONAL AND CONCLUDING PROVISIONS

§ 2. The procedures to obtain permission for transformation of pension insurance companies and additional pension insurance funds, as well as the procedures to obtain permission for voluntary termination of pension insurance companies, started prior to the entering into force of this Ordinance, shall be completed in compliance with the requirements of the Ordinance.

§ 3. The Ordinance was issued on the grounds of art. 343 of the Social Security Code and was passed by virtue of decision No 25-N of 7 July 2004 of the Financial Supervision Commission.

§ 4. The Financial Supervision Commission shall provide guidelines on the implementation of the Ordinance.

TRANSITIONAL AND CONCLUDING PROVISIONS to the Ordinance on the amendment and supplementation of

ORDINANCE No 17 of 2004 on the documents required for the issuance of a permission for transformation of a pension insurance company and additional pension insurance fund and the requirements to the plans under art. 327, para 1, item 3 and art. 336, para 1 of the Social Security Code

(SG, issue 102 of 2007, in effect as of 9 December 2007)

§ 8. The Ordinance shall enter into force three days after its promulgation in the State Gazette with the exception of § 2, item 2 , § 4, item 2 , § 5, item 1, point "b" and § 6, item 2, which shall enter into force as of the date of the entering into force of the Law on the Commercial Register.

.....