

**ORDINANCE No 29 of 12.07.2006 on the minimum level of credit ratings of banks and the determination of countries, international financial organizations, markets and indices of these markets pursuant to Art. 176, para. 3 of the Social Insurance Code**

**(Title amended - SG, issue No. 94 of 2018, in force since 19.11.2018, issue 64 of 2022, in force since 09.08.2022)**

Adopted by Decision No. 60-N of 12.07.2006 of the Financial Supervision Commission, promulgated, - SG issue No. 62 of 1.08.2006, amended, issue No. 3 of 11.01.2008, amended and supplemented, issue no. 98 of 11.12.2009, issue No. 91 of 18.11.2011, issue No. 94 of 13.11.2018, in force since 19.11.2018, issue No. 8 of 28.01.2020, issue No. 81 of 15.09.2020, issue No. 60 of 20.07.2021, amended, issue No. 64 of 9.08.2022, in force since 9.08.2022, issue No. 29 of 31.03.2023.

**Art. 1.** (amended - SG, issue No. 98/2009, issue No. 94/2018, in force since 19.11.2018) This Ordinance determines:

1. The minimum level of credit ratings of banks referred to in Art. 176, para. 1, item 5 of the Social Insurance Code (SIC);
2. (amended, - SG, issue No. 64/2002, in force since 9.08.2022) the countries referred to in Art. 176, para. 1, item 1, letter "c", item 2, letter "b", item 4, letter "b", item 6, letter "b" and item 12 of the SIC;
3. The markets referred to in Art. 176, para. 1, item 1, letter "c", item 2, letter "b" and item 4, letter "b" of the SIC;
4. The markets and indices of these markets referred to in Art. 176, para. 1, item 6, letter "b" of the SIC;
5. The international financial organizations referred to in Art. 176, para.1, item 1, letter "d" of the SIC.

**Art. 2.** (Am. - SG, issue No. 3 of 2008, amended and supplemented, issue No. 98 of 2009, completely amended, issue No 91 of 2011, amended and supplemented, issue 94 of 2018, in force since 19.11.2018, amended and supplemented, issue 8 of 2020, amended and supplemented, issue 60 of 2021)

(1) (repealed - SG, issue No. 94 of 2018, in force since 19.11.2018).

(2) (amended - SG, issue. No. 94 of 2018, in force since 19.11.2018, supplemented, issue No. 60 of 2021) The minimum levels of credit ratings of banks referred to in Art. 176, para. 1, item 5 of the SIC, in which the funds of a supplementary pension insurance fund and a fund for benefits payments may be invested, shall be:

1. (amended, - SG, issue 8 of 2020) long-term credit ratings corresponding to credit quality step '4' according to Annex III of Commission Implementing Regulation (EU) 2016/1799 of 7 October 2016 laying down implementing technical standards with regard to the mapping of credit assessments of external credit assessment institutions for credit risk in accordance with Articles 136(1) and 136(3) of Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ, L 275/3 of 17 October 2016), hereinafter 'Implementing Regulation (EU) 2016/1799', or
2. (amended and supplemented - SG, Issue 94 of 2018, in force since 19.11.2018, Issue No. 8 of 2020) the long-term credit ratings corresponding to those referred to in item 1 and issued by credit rating agencies, which are registered or certified in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (OJ, L 302/1 of 17 November 2009) and are not included in Annex III of Implementing Regulation (EU) 2016/1799.

(3) (amended, SG, issue no. 94 of 2018, in force since 19.11.2018, issue No. 8 of 2020, issue 60 of 2021) Where a pension insurance company invests the assets of a fund referred to in paragraph 2 in a deposit with a bank whose credit rating is assigned by an agency referred to in paragraph 1, item 2, the company shall submit to the Financial Supervision Commission a justification based on information on the credit rating awarded by the relevant credit rating agency, of the consistency of that rating with the credit rating referred to in paragraph 2, item 1.

(4) The justification referred to in para. 3 shall be provided by the pension insurance company upon:

1. (amended - SG, issue No. 94 of 2018, in force since 19.11.2018, amend. issue No. 8 of 2020) the

first use of a credit rating assigned by a credit rating agency under paragraph 2, item 2 - within three working days from the day of signing the bank deposit contract;

2. a change in the compliance of the minimum levels of the credit ratings referred to in paragraph 2, item 2 with those referred to in paragraph 2, item 1 - within three working days from the day of becoming aware of it.

(5) (repealed, - SG, issue No. 94 of 2018, in force since 19.11.2018).

(6) (amended - SG, issue No. 94 of 2018, in force since 19.11.2018, issue No. 60 of 2021) Where a bank has been assigned long-term credit ratings by more than one rating agency, the resources of a fund referred to in paragraph 2 may be invested in deposits in such a bank solely in case each of these ratings meets the requirement set in paragraph 2.

(7) (repealed, - SG, issue No. 94 of 2018, in force since 19.11.2018).

**Art. 3.** (amended - SG, issue No. 91 of 2011, repealed, issue No. 94 of 2018, in force since 19.11.2018)

**Art. 4.** (amended - SG, issue No. 3 of 2008, completely amended issue No. 98 of 2009, repealed, issue No. 94 of 2018, in force since 19.11.2018)

**Art. 5.** (amended, -SG, issue No. 3 of 2008, issue No. 98 of 2009, completely amended, issue No. 91 of 2011, amended and supplemented, issue № 94 of 2018, in force since 19.11.2018, amended and supplemented, issue № 8 of 2020, amended and supplemented, issue № 81 of 2020, amended, issue № 64 of 2022, in force since 09.08.2022).

(1) (amended, SG, issue No. 94 of 2018, in force since 19.11.2018, amended, issue No. 8 of 2020, amended and supplemented, issue No. 81 of 2020, amended, issue No. 64 of 2022, in force since 9.08.2022). The countries referred to in Art. 176, para. 1, item 1, letter "c", item 2, letter "b", item 4, letter "b" and item 12 of the SIC and the markets referred to in Art. 176, para. 1, item 1, letter "c", item 2, letter "b" and item 4, letter "b" of the SIC shall be:

No.	State under Article 176, para. 1, item 1, letter "c", item 2, letter "b", item 4, letter "b" and item 11 of the SIC	Market under Article 176, para. 1, item 1, letter "c", item 2, letter "b", item 4, letter "b" of the SIC
1.	Australia	Australian Securities Exchange Chi-X Australia Pty
2.	Brazil	B3
3.	Israel	Tel Aviv Stock Exchange
4.	India	Bombay Stock Exchange National Stock Exchange of India
5.	Indonesia	Indonesia Stock Exchange
6.	Canada	TMX Group
7.	China	Shanghai Stock Exchange Hong Kong Stock Exchange Shenzhen Stock Exchange
8.	(New - SG, issue No. 81 of 2020) Colombia	Bolsa de Valores de Colombia
9.	(New, SG issue No. 81 of 2020) Costa Rica	Bolsa Nacional de Valores de Costa Rica
10.	(Previous item 8 - SG, issue 81 of 2020) Malaysia	Bursa Malaysia
11.	(Previous item 9 - SG, issue 81 of 2020) Mexico	Bolsa Mexicana de Valores
12.	(Previous item 10 - SG, issue 81 of 2020) New Zealand	New Zealand Exchange
13.	(Previous item 11 - SG, issue 81 of 2020, in force	London Stock Exchange

	<p>a) from the day following the day of the expiration of the transitional period under Art. 126 of the Agreement on the withdrawal of United Kingdom of Great Britain and Northern Ireland from European Union and the European Atomic Energy Community in case this agreement enters into force;</p> <p>b) from the day on which the Treaty on the functioning of European Union and The Treaty on European Union cease to apply to United Kingdom according to Article 50, paragraph 3 of the Treaty on European Union, in case that the Agreement on the withdrawal of United Kingdom of Great Britain and Northern Ireland from European Union and the European Atomic Energy Community does not enter into force.)</p> <p>United Kingdom</p>	
14.	(previous item 12 - SG, issue 81 of 2020) Russia	Moscow Exchange
15.	(previous item 13 - SG, issue 81 of 2020) North Macedonia	Macedonian Stock Exchange
16.	(previous item 14 - SG, issue 81 of 2020) United States of America	New York Stock Exchange
		NASDAQ
		BOX Exchange
		Cboe BYX Exchange
		Cboe BZX Exchange
		Cboe C2 Exchange
		Cboe EDGA Exchange
		Cboe EDGX Exchange
		Cboe Exchange
		The Investors Exchange
		Long-Term Stock Exchange
		Miami International Securities Exchange
		MIAX Emerald
		MIAX PEARL
		MEMX
		Nasdaq BX
		Nasdaq GEMX
Nasdaq ISE		
Nasdaq MRX		
Nasdaq PHLX		
NYSE Arca		
NYSE Chicago		
NYSE MKT		
NYSE National		
17.	(previous item 15 - SG, issue 81 of 2020)	Singapore Exchange

	Singapore	
18.	(previous item 16 - SG, issue 81 of 2020) Taiwan	Taiwan Stock Exchange
19.	(previous item 17 - SG, issue 81 of 2020) Thailand	Stock Exchange of Thailand
20.	(previous item 18 - SG, issue 81 of 2020) Turkey	Borsa Istanbul
21.	(previous item 19 - SG, issue 81 of 2020) Chile	Santiago Stock Exchange (MILA)
22.	(previous item 20 - SG, issue 81 of 2020) Switzerland	SIX Swiss Exchange BX Swiss
23.	(previous item 21 - SG, issue 81 of 2020) South Africa	JSE Limited
24.	(previous item 22 - SG, issue 81 of 2020) South Korea	Korea Exchange
25.	(previous item 23 - SG, issue 81 of 2020) Japan	Tokyo Stock Exchange

(2) (New - SG, issue No. 8 of 2020, amended and supplemented, issue 81 of 2020) The countries, markets and indices referred to in Art. 176, para. 1, item 6, letter "b" of the SIC are:

No.	State under Article 176, para. 1, item 6, letter "b" of the SIC	Market under Article 176, para. 1, item 6, letter "b" of the SIC	Index of market under Art. 176, para. 1, item 6, letter "b" of the SIC
1.	Australia	Australian Securities Exchange	All Ordinaries Index
		Chi-X Australia Pty Ltd	Chi-X Australia 200 Index
2.	Brazil	B3	Ibovespa
3.	Israel	Tel Aviv Stock Exchange	TA-125 Index
4.	India	Bombay Stock Exchange	BSE SENSEX
		National Stock Exchange of India	NIFTY 50
5.	Indonesia	Indonesia Stock Exchange	LQ-45
6.	Canada	TMX Group	S&P/TSX Composite Index
7.	China	Shanghai Stock Exchange	SSE 180 Index
		Hong Kong Stock Exchange	Hang Seng Index
		Shenzhen Stock Exchange	SZSE 100
8.	(New - SG, issue No. 81 of 2020) Colombia	Bolsa de Valores de Colombia	COLCAP
9.	(New, SG issue No. 81 of 2020) Costa Rica	Bolsa Nacional de Valores de Costa Rica	Indice Accionario Costa Rica (IACR)
10.	(Previous item 8 - SG, issue No. 81 of 2020) Malaysia	Bursa Malaysia	FTSE Bursa Malaysia KLCI
11.	(Previous item 9, amended - SG, issue No. 81 2020) Mexico	Bolsa Mexicana de Valores	S&P BMV IPC
12.	(Previous item 10 - SG, issue No. 81 of 2020) New Zealand	New Zealand Exchange	S&P/NZX 50 Index
13.	(In force: a) from the day	London Stock Exchange	FTSE 100

	<p>following the day of expiration of the transitional period under Art. 126 of the Agreement on the withdrawal of United Kingdom of Great Britain and Northern Ireland from European Union and the European Atomic Energy Community, in case that agreement enters into force;</p> <p>b) from the day on which the Treaty on the functioning of the European Union and the Treaty on European Union cease to apply to the United Kingdom pursuant to Article 50, paragraph 3 of The Treaty on European Union, in case the Agreement for the withdrawal of United Kingdom Great Britain and North Ireland from European Union and The European Atomic Energy Community does not enter into force. previous row; 11 - SG No. 81 of 2020)</p> <p>United Kingdom</p>		
14.	(previous item 12 - SG, issue No.81 of 2020) Russia	Moscow Exchange	RTS Index
15.	(Previous item 13 – SG, issue No. 81 of 2020) North Macedonia	Macedonian Stock Exchange	MBI 10
16.	(previous item 14 - SG, issue No. 81 of 2020) United States of America	New York Stock Exchange	S&P 500 Index Dow Jones Industrial Average (DJIA)
		NASDAQ	NASDAQ 100
		NYSE Arca	NYSE Arca Major Market Index
17.	(previous item 15 - SG, issue No. 81 of 2020) Singapore	Singapore Exchange	Straits Times Index (STI)
18.	(previous item 16 - SG, issue No. 81 of 2020) Taiwan	Taiwan Stock Exchange	TAIEX
19.	(previous item 17 - SG, issue No. 81 of 2020) Thailand	Stock Exchange of Thailand	SET 50 Index
20.	(previous item 18, amended, - SG, issue No. 81 of 2020) Turkey	Borsa Istanbul	BIST 100
21.	(previous item 19 - SG, issue No. 81 of 2020) Chile	Santiago Stock Exchange (MILA)	Indice de Precios Selectivo de Acciones(IPSA)
22.	(previous item 20 - SG, issue No. 81 of 2020) Switzerland	SIX Swiss Exchange	Swiss Market Index (SMI)
		BX Swiss	BIRW

23.	(previous item 21 - SG, issue No. 81 of 2020) South Africa	JSE Limited	FTSE/JSE Top 40 Index
24.	(previous item 22 - SG, issue No. 81 of 2020) South Korea	Korea Exchange	KRX 100
25.	(previous item 23 - SG, issue No. 81 of 2020) Japan	Tokyo Stock Exchange	Nikkei 225 Nikkei 400

(3) (amended - SG, issue No. 94 of 2018, in force since 19.11.2018, previous para. 2, amended, issue No. 8 of 2020) The indices under Art. 176, para. 1, item 6, letter "b" of the SIC may also be MSCI Global Investable Market Indices only if they are constructed on shares traded on the markets referred to in para. 2.

**Art. 5a.** (New - SG, issue No. 94 of 2018, in force since 19.11.2018, amended, issue No. 8 of 2020, amended, issue 29 of 2023) The international financial organisations referred to in Art. 176, para. 1, item 1, letter "e" of the SIC are:

1. Asian Infrastructure Investment Bank;
2. Asian Development Bank;
3. African Development Bank;
4. Bank for International Settlements;
5. Council of Europe Development Bank;
6. European Bank for Reconstruction and Development;
7. European Atomic Energy Community;
8. European Investment Fund;
9. European Stability Mechanism;
10. European Financial Stabilisation Mechanism;
11. The European Union;
12. Inter-American Development Bank;
13. Islamic Development Bank;
14. Caribbean Development Bank;
15. Multilateral Investment Guarantee Agency;
16. International Development Association;
17. International Bank for Reconstruction and Development;
18. (repealed - SG 29/2023 );

19. (repealed - SG 29/2023);
20. International Finance Corporation;
21. International Monetary Fund;
22. International Finance Facility for Immunization;
23. Nordic Investment Bank;
24. Black Sea Trade and Development Bank;
25. An international financial organization established by two or more member states, whose purpose is to mobilize financing and provide financial support to its members affected or threatened by severe financial problems.

**Art. 6.** (1) Any person who commits or allows commission of a violation under this Ordinance shall be punished according to Art. 351 of the SIC.

(2) Violations of provisions of this Ordinance shall be established by statements drawn up by officials authorised by the Deputy Chair of the Financial Supervision Commission in charge of the Social Insurance Supervision Division.

(3) The penal decrees shall be issued by the Deputy Chair of the Financial Supervision Commission in charge of the Social Insurance Supervision Division, or by a person authorised by him.

(4) The establishment of violations, the issuance, appeal and enforcement of the penal decrees shall be conducted as provided for in the Administrative Violations and Sanctions Act.

### **Concluding provisions**

§ 1. This Ordinance is issued on grounds of Art. 176, para. 3 of the Social Insurance Code and adopted by Decision No 60-N of 12 July 2006 of the Financial Supervision Commission.

§ 2. The Financial Supervision Commission shall provide guidance on the implementation of the Ordinance.

**Transitional and final provisions to the Ordinance on amendment of Ordinance No. 29 of 2006 on the minimum level of credit ratings of banks and for determination of countries, international financial organizations, markets and the indices of those markets according to art. 176, para. 2 of the Social Insurance Code (SG, issue 8 of 28.01.2020)**

§ 4. Pension insurance companies align their activities with the provisions of this ordinance within six months of their entry into force.

**Transitional and final provisions to Regulation No. 70 from 29.06.2021 on the requirements for the funds for making payments (SG, issue 60 of 20.07.2021)**

§ 5. In Ordinance No. 29 of 12.07.2006 on the minimum level of credit ratings of banks and determination the countries, international financial organizations, markets and indices of these markets according to art. 176, para. 2 of the Social Insurance Code (promulgated, SG No. 62 of 2006; amended, No. 3 of 2008; amended and supplemented, no. 98 of 2009, no. 91 of 2011, no. 94 of 2018 and no. 8 and 81 of 2020) the following amendments and additions are made:

1. In art. 2:

a) in para. 2 after the words "additional pension insurance fund" are added the words "and to a fund for making payments";

b) in para. 3 and 6, the words "additional pension insurance fund" are replaced by the words "fund under para. 2".

2. In subparagraph 1 of the final provisions, the words "art. 176, para. 2" are replaced with the words "art. 176, para. 3".

**Transitional and final provisions to the Ordinance on amendment of Ordinance No. 63 of November 8, 2018 on the requirements for the content, the periodicity of preparation and deadlines for submission of reports for supervisory objectives of pension insurance companies and the funds they manage (SG, issue 64 of 09.08.2022, in force since 09.08.2022)**

§ 19. In Ordinance No. 29 of 12.07.2006 on the minimum level of credit ratings of banks and for determination the countries, international financial organizations, markets and the indices of these markets according to art. 176, para. 2 of the Social Insurance Code (promulgated, SG No. 62 of 2006; amended, No. 3 of 2008; amended and supplemented, no. 98 of 2009, no. 91 of 2011, no. 94 of 2018, no. 8 and 81 of 2020 and no. 60 of 2021) the following changes are made:

1. In the name of the regulation, the words "para. 2" are replaced by "para. 3".

2. In art. 1, point 2 and in art. 5, para. 1 everywhere the words "point 11" are replaced by "point 12".