



Announcement

To all borrowers (legal entities and individuals)
clients of T.C. Ziraat Bankasi - Sofia Branch (the Bank),
whose loan agreements are concluded before 31.03.2020

Dear customers,

In connection with the COVID-19 pandemic crisis, expressing our readiness to cooperate in a balanced way to safeguard our interests and our clients, while continuing to provide high quality banking services, striving to offer a facilitating mechanism for servicing the regular exposures of our borrowers, affected by the COVID-19 pandemic measures and in accordance with the *Order for Deferral and Settlement of debts to Banks and Their Subsidiaries - Financial Institutions in connection with the introduced on 13.03.2020 by the Parliament of the Republic of Bulgaria State of emergency arising from the pandemic of COVID19, adopted by the Management Board of the Banking Association of Bulgaria (ABB) and approved by Bulgarian National Bank, by decision of 09.04.2020, pursuant to the Guidelines of the European Banking Authority of 2 April 2020 - Guidelines on legislation and non-legislative moratoria on loan repayments applied in light of the COVID-19 crisis (EBA / GL / 2020/02),

T.C. Ziraat Bankasi - Sofia Branch announces the following:

Measures in case of financial difficulties of individual clients and legal entities - borrowers with T.C. Ziraat Bankasi - Sofia Branch

T.C. Ziraat Bankasi - Sofia Branch offers to its clients the following options for choosing to defer and settle their credit obligations towards the Bank:

A. The stipulated below rules & provisions are applied with respect to clients who meet cumulatively the following undertakings/conditions:

1.1. Borrowers i.e. Individuals or Legal entities, excluding credit institutions, which have or expect difficulties on punctual servicing of their bank obligations /in compliance with the duly concluded loan contract/, based on the COVID – 19 issue and the restrictions imposed with the “Law of measures during the Extraordinary situation and their consequences”.

1.2. As of 01.03.2020, the bank debt of the clients under p.1.1. is regular or has overdue up to 90 days.

1.3. The clients state/express their explicit wish to benefit from the relaxed measures offered from the Bank/Creditor.

B. Mechanisms for postponement

1. Mechanism № 1 – postponement of both (principal and interest) up to 6 months.

1.1. The due amounts (Principal and interest) are postponed for period of 6 months, but not later than 31.12.2020.

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1.2. The entire remaining debt under the loan /including the unpaid principal during the Grace period/ shall be repaid according to a new repayment schedule for period of 6 months which period is prolonged by 6 months than the initial one /taking into account the number of the postponed installments/.

1.3. In every installment from the repayment schedule /until expiration of the loan or other reasonable period (coordinated with the Borrower)/ is added equal part of the unpaid during the grace period interest.

2. Mechanism № 2 – postponement of principal up to 6 months.

2.1. The due amount under the principal is postponed up to 6 months but not later than 31.12.2020.

2.2. The due interest should be paid according to the loan contract conditions.

2.3. After expiration of the Grace period – a new repayment schedule shall be prepared. The new Repayment schedule should encompasses the entire bank debt /including the unpaid principal during the Grace period/. The new repayment schedule is extended with the number of the unpaid installments but not later than 6 months.

3. Mechanism № 3 – it is applicable for revolving lending products /i.e. overdraft, credit line, etc. with usually 12 month review date/

3.1. Revolving a credit line is allowed, despite that the installments due or part of them are not repaid. The repayment of the due amounts is postponed by 6 months but not later than 31.12.2020.

3.2. In a period up to 6 months but not later than 31.12.2020, the due monthly interest payment under the overdraft products shall be repaid at the expense of:

a) the unutilized part of the overdraft limit or

b) the interest is postponed up to 6 months after the expiration of the Grace period.

3.3. Points 3.1 and 3.2 shall apply separately to the credit products specified therein.

C. Documents required.

1. Application-declaration (in the form of the Bank).

2. The Bank may, at its discretion, request additional information from applicants in the process of examining the request for application of the present Measures.

NB:

* The full text of the Document – “Order for Deferral and Settlement of debts to Banks and Their Subsidiaries - Financial Institutions in connection with the introduced on 13.03.2020 by the Parliament of the Republic of Bulgaria State of emergency arising from the pandemic of COVID19”,

is published on BNB’s website, on the following web address:

https://www.bnb.bg/bnbweb/groups/public/documents/bnb_pressrelease/pr_20200410_a1_bg.pdf



Borrowers who wishing to take advantage of the Measures should contact the relevant Office of the Bank OR the Country management in Sofia, at address: 87 Tsar Samuil Str., by filing a written application **no later than 22.06.2020.**

The deadline by which the Bank can make decisions on deferring credit claims under these Measures, in accordance with the “Order for deferring and settling required liabilities to banks and their subsidiaries - financial institutions in connection with the introduced on 13.03.2020. by the Parliament of the Republic of Bulgaria - State of emergency arising from the pandemic of COVID19” **is 30.06.2020.**

**From the Regional Management of
T.C. Ziraat Bankasi – Sofia Branch**