

— PAYMENT SYSTEM —
BISERA6

DESCRIPTION > LEGAL FRAMEWORK > BORICA'S ROLE

BISERA6 is a payment system that services customer transfers in BGN on the territory of the country.

The system is open 24 hours a day, 7 days a week for acceptance of payment orders from banks and other licensed payment service providers operating on the territory of the country.

BISERA6 is under the supervision of the Bulgarian National Bank.

BORICA AD is registered in the BNB Register of licensed payment system operators in this country, pursuant to Article 139 of the Law on Payment Services and Payment Systems and as the system operator it manages, administrates, maintains and develops the payment system.

BORICA AD is the owner of BISERA6 and sets the System Operation Rules, and the terms and conditions of participation and access, in compliance with the current regulatory framework.



PARTICIPATION AND ACCESS IN THE PAYMENT SYSTEM

To meet the criteria for participation and access in BISERA6 pursuant to the applicable legislation, participants may be both domestic payment service providers, and payment service providers or branches of such from an EU member state or an EEA state, which meet the regulatory, functional, and technical requirements of the payment system.



1

PARTICIPANTS IN THE SYSTEM MAY BE

- a. the Bulgarian National Bank (BNB)
- b. central banks of EU Member States
- c. banks licensed by the BNB to carry out banking activities
- d. third-country bank branches licensed by the BNB pursuant to art. 17 of the Law on Credit Institutions
- e. bank branches from an EU member state carrying out activities in the Republic of Bulgaria pursuant to articles 20 and 21 of the Law on Credit Institutions.

Participants should:

- a. have a business identifier code (BIC) provided by SWIFT;
- b. have a settlement account opened by the BNB in the RINGS Payment Module;
- c. have a sub-account in the special account of BORICA AD for the purpose of settlement of instant and bulk (budget and non-budget) payments;
- d. have the necessary information technology and communication infrastructure to work with BISERA6 according to its interface specifications;
- e. have signed a Framework Agreement with BORICA AD for participation in BISERA6;
- f. conduct certification tests with BISERA6.

2

PSPS WITH RIGHTS OF ACCESS IN THE SYSTEM MAY BE

- a. persons under item 1, b - e;
- b. payment institutions and electronic money institutions licensed by the BNB to provide payment services in Bulgaria;
- c. payment institutions, electronic money institutions or other payment service providers from an EEA state, licensed to provide payment services, that carry out activities on the territory of the Republic of Bulgaria directly, through a branch or an agent;
- d. credit institutions/banks licensed in EEA states to provide payment services, carrying out activities on the territory of the Republic of Bulgaria.

PSPs with rights of access may have subordinated or autonomous access to the payment infrastructure of BISERA6 and they should:

- a. have a business identifier code (BIC) provided by SWIFT;
- b. meet the functional and technical requirements of the payment system;
- c. have a tripartite agreement with a participant and the Operator for the settlement of processed transfer orders through BISERA6 and obtaining other payment information.

SCOPE OF SERVICES

The payment services of BISERA6 are targeted not only at the banking sector but also at the public and private sectors, and are aimed at providing a payment environment in the country. These services provide an opportunity for end users – individuals and business customers, to order and receive payments in BGN.

✓ Instant payments

They are implemented in accordance with the rules of the Instant Payments through an Account Programme (Blink) of the National Card and Payment Scheme. The service is accessible in all calendar days of the year, and the maximum processing time in BISERA6 is within 10 seconds from the receipt of the credit transfer until the confirmation of successful settlement of the payment.

✓ Bulk payments

Their implementation is based on ISO 20022 XML standard. The processing time of bulk payments in BISERA6 for every 10 000 transfer orders is maximum 20 minutes from the time they are received in the system.

✓ Budget payments

Their implementation is based on ISO 20022 XML standard. Include payment transactions initiated by payment orders for transfers from or to accounts of budget spending units or accounts of administrators of public claims.

BISERA6 performs a pre-paid model of settlement of finalized interbank budget requests for payments, initiated through the System for Electronic Budget Payments (SEBRA), owned by the Ministry of Finance.

BISERA6 ACCEPTS FOR EXECUTION TRANSFER ORDERS WITH USE OF THE FOLLOWING PAYMENT INSTRUMENTS



A payment order for credit transfer



A payment order for direct debit



A payment order for payment from/to the state budget.

SETTLEMENT OF PAYMENTS IN BISERA6



✓ Prepaid model of settlement

The settlement of transfer orders for instant, bulk and budget payments accepted by BISERA6 is executed as the participants provide in advance the funds in the cub-accounts to the special account of BORICA AD, opened in the payment module of RINGS.

Participants set targeted funds availability and the funds availability limits on their own sub-account, based on which the Operator deposits or withdraws funds into/from the relevant participant's settlement account in RINGS.

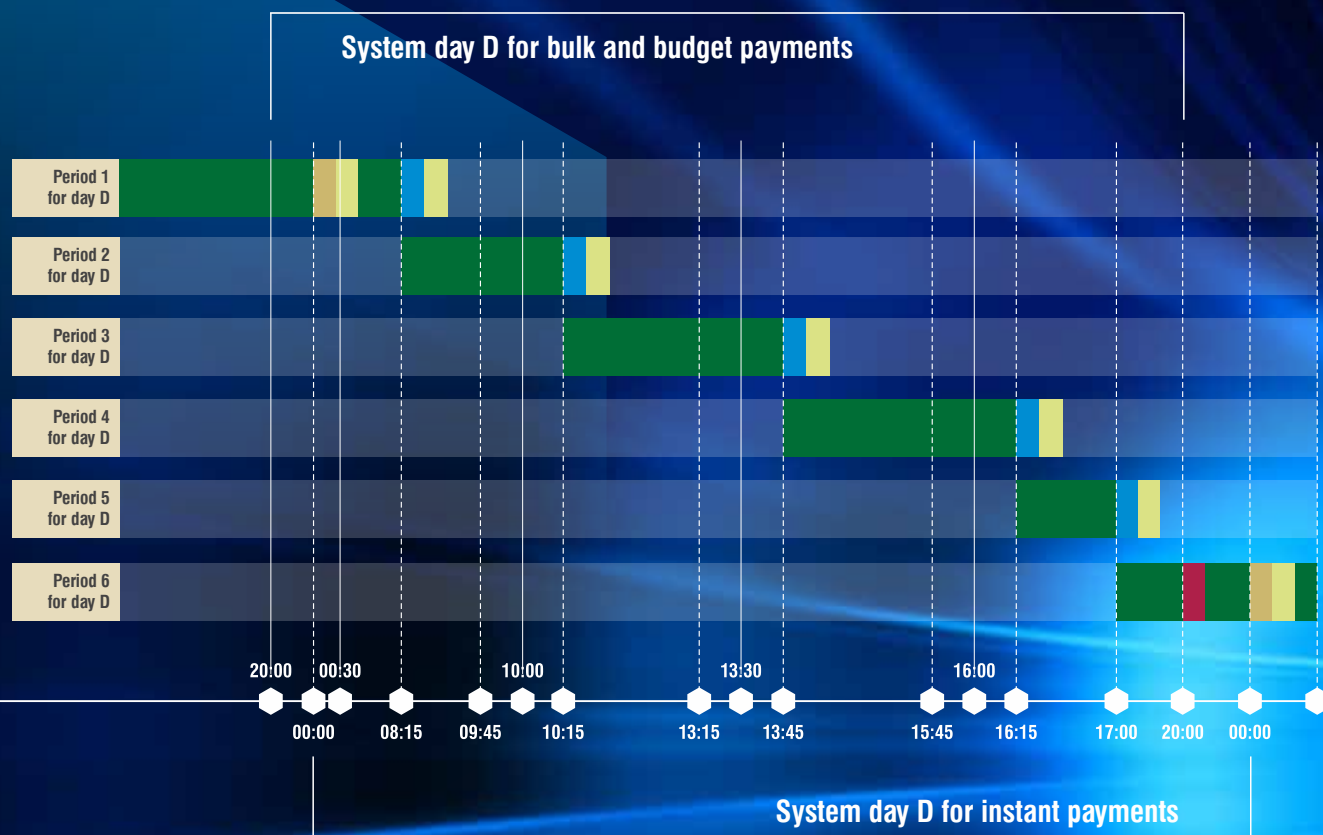
The settlement of instant payments is executed on all calendar days of the year, and transactions are processed individually, in real time.






The settlement of bulk and budget payments is executed on the working days of RINGS, and after 20:00 and on nonworking days BISERA6 accept the payments with the date of the next working day.

The settlement of payments accepted by BISERA6 is affected immediately if there are available funds in the participant's sub-account, kept by BORICA AD.

There are five Request for liquidity within the system day, according to the system schedule.

SYSTEM OPERATION TIMELINE



-  Receipt, validation and acceptance of transfers
-  Cut-off time of the system day for instant transfers
-  Cut-off time of the system day for bulk and budget transfers
-  Provision of liquidity
-  Reconciliation

PRICES AND PRICING POLICY > PRINCIPLES



The services offered by BISERA6 are provided under a Framework Agreement signed with each participant and against payment as per the current Tariff of Rates of BORICA AD for payment service providers.



Participants and PSPs with rights of access are charged monthly fees for participation in the payment system, as well as fees for the volume of transactions for the month processed via the system.



The prices of provided services in the payment system are set by the Board of Directors of BORICA AD.

A total of 33 PSPs, 25 of which are banks and bank branches, and 8 are other licensed PSPs, have access to services of the BISERA6 payment system.

In 2022, over

100
million

transactions were executed by BISERA6.

