

“Approved”

The Central Bank of
the Republic of Azerbaijan

Decision № ____

_____ 2013

Governor

Elman Rustamov

REGULATIONS

ON MAINTENANCE AND USAGE OF THE CENTRALIZED CREDIT REGISTRY

1. General Provisions

1.1. These Regulations have been developed under Article 35.4 of the Law of the Republic of Azerbaijan on Banks and Article 22 of the Law of the Republic of Azerbaijan on Non-Bank Credit Institutions and govern the operational regime of the Centralized Credit Registry (hereinafter – the CCR) in the Central Bank of the Republic of Azerbaijan (hereinafter – the CBA), including the nature of data and rules and terms and conditions of delivery to and receipt of data.

1.2. The goal of the CCR shall be to issue information on creditworthiness of current and potential borrowers of banks and non-bank credit institutions (hereinafter – NBCIs) operating under the Law of the Republic of Azerbaijan on Non-Bank Credit Institutions, as well as subdue credit risks of banks and NBCIs, promote borrowers' compliance discipline and protection of borrowing reputation.

1.3. Definitions used in these Regulations shall bear the following meanings:

1.3.1. credit – loans issued in any currency as of the reporting date, including credit lines opened, guarantees and warranties, factoring and leases, as well as loans written-off from the balance sheet (interbank loans and loans issued by foreign branches of banks are disregarded here);

1.3.2. potential borrower – legal entity or individual applying to bank or NBCI to obtain a loan;

1.3.3. data provider – bank or NBCI that delivers credit data to the CCR;

1.3.4. current borrower – individual or legal entity that owns to a bank or an NBCI under a contract;

1.3.5. credit identification number – a unique code issued for the loan by a bank or an NBCI not reiterated within the data provider;

1.3.6. identification number of a group of related borrowers - a unique code issued for a group of related borrowers by a bank or an NBCI not reiterated within the data provider;

1.3.7. group of related borrowers – persons specified in the Law of the Republic of Azerbaijan on Non-bank Credit Institutions;

1.3.8. private entrepreneur – individual engaged in entrepreneurship without launching a legal entity.

2. Submission of data to the CCR

2.1. Banks and NBCIs, including banks and NBCIs, whose licenses have been revoked, shall submit credit data to the CCR.

2.2. Data on loans shall be submitted to the CCR together with credit's identification number and the outstanding amount in accounting records.

2.3. Data shall be submitted as at the first day of each month within the next 4 (four) business days.

2.4. New credits shall be reported to the CCR within 2 (two) business days upon their issuance.

2.5. If the deadline for data submission falls on non-business days, then the information shall be submitted on the following business day.

2.6. Data shall be delivered in an e-format in compliance with the requirements of the automated CCR system.

2.7. Data delivered to the CCR on credits shall reflect the information specified in Annex 1.

2.8. In the event of necessity to make changes to the identification number of any credit, the bank and NBCI shall formally inform the CCR thereof and submit a list of old and new numbers.

3. How to obtain data from the CCR

3.1. Banks and NBCIs shall be allowed to obtain data on current and potential borrowers, while individuals and legal entities solely on themselves.

3.2. Banks and NBCIs shall obtain data from the CCR in a real time mode through an automated system.

3.3. Persons empowered to obtain data from the CCR in a real time mode shall be designated by banks and NBCIs and the document confirming their authority shall be submitted to the CBA.

3.4. Other persons except for banks and NBCIs shall obtain data from the CCR as follows:

3.4.1. personally (legal entity – authorized representative) or applying through an authorized representative (Annex 3);

3.4.2. applying in an e-format confirmed via an e-signature (Annex 4);

3.4.3. via a notarized distant inquiry (Annex 4).

3.5. Data from the CCR shall be obtained under Annex 2 attached herewith.

3.6. Names of banks and NBCIs that made a credit inquiry, as well as names of data providers and credit identification numbers shall not be disclosed to banks and NBCIs that made a data inquiry with the CCR.

3.7. Banks and NBCIs shall make inquiries to the CCR on current borrowers without requesting an agreement from the person on whom the inquiry is issued, and

on potential borrowers and their guarantors – only through a written agreement (Annex 5) signed by the person(s), on whom the inquiry is issued.

3.8. Data shall be obtained in a real time mode on a daily basis from 09:00 through 18:00 upon compliance with the rules of the automated system of the CCR, except for non-business days of each calendar month.

3.9. To make inquiries banks and NBCIs shall place a deposit on a specific account opened with the CBA. One manat shall be deducted from the placed amount per executed inquiry. Banks and NBCIs shall independently decide the amount to be placed on the account at their own discretion. In the event the balance of funds is used in full, banks and NBCIs may obtain data from the CCR only within the following business day. In the event the account is not replenished, banks and NBCIs shall not be entitled to issue an inquiry with the CCR.

3.10. Individuals and legal entities shall apply to the CCR for data free of charge (Annex 3).

3.11. When applying under Item 3.4.1 herein, the CCR shall issue response to the inquiry upon submission of the following documents and signing the “Inquiry Submission Book”:

3.11.1. for individuals:

3.11.1.1. original and copy of the document confirming identification of the inquiree;

3.11.1.2. copy of the Tax ID of a private entrepreneur;

3.11.1.3. original and copy of documents confirming identification and competence of his/her representative.

3.11.2. for legal entities:

3.11.2.1. copy of the Tax ID;

3.11.2.2. original and copy of documents confirming identification and competence of the applied person.

3.12. To obtain data on themselves in an e-format, individuals and legal entities shall apply to the email address specified on the CBA webpage through an application confirmed with an electronic signature. The CCR shall send data to the

address specified in the application either in electronic format or to the postal address specified in the application at the discretion of the applicant.

3.13. In the event individuals and legal entities apply to the address of the CBA to obtain information on themselves via a notarized distant inquiry, the CCR shall post the data to the address specified in the application.

3.14. When individuals and legal entities request information on themselves, the requested information shall be released by the CCR within 3 (three) business days upon entry of the inquiry or sent to the postal address under Items 3.12 and 3.13 herein.

3.15. Individuals and legal entities may also request information on themselves through application to regional offices of the CBA (Department of the Nakhchivan Autonomous Republic, the Yevlakh Reserve Center, Ganja, Bulasuvur and Guba Regional Offices) under Items 3.4.1 and 3.4.3 herein.

4. Authenticity of information

4.1. Data providers shall ensure authenticity of the data submitted to the CCR.

4.2. Any changes to the data in the CCR shall be made solely under the data submitted from data providers.

4.3. Complaints on inaccurate data on individuals and legal entities shall be delivered to the CBA.

4.4. The complaint shall be submitted by an individual himself/herself, or his/her notarized authorized representative, through a signature of an authorized person and a stamp of the legal entity. The complainant shall indicate in his/her complaint (Annex 6) the credit liability, that is proper at his/her discretion and/or other reason for the complaint.

4.5. The CBA shall review complaints by individuals and legal entities and in the event investigation is required, the complaint shall be sent to data provider who shall be requested to investigate the complaint. The data provider shall review the complaint at the latest within 5 (five) business days. In the event the complaint is justified, the bank or NBCI shall promptly make relevant changes to the credit data of

the person in question, in the event the complaint is not justified, the CCR shall be provided with a substantiated response.

4.6. In the event the data provider refuses to make changes to the data, the CCR shall notify the complainant within 3 (three) business days.

4.7. In the event the data provider makes changes to the data under the complaint, the CCR shall notify the complainant and those persons who obtained data from the registry on the person in question within the recent 6 (six) months within 3 (three) business days.

Annex 1

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

Composition of the data to be delivered to the CCR

1. on Banks and NBCIs:

- 1.1. name;
- 1.2. license number.

2. on borrower – individual:

- 2.1. first, middle and last names;
- 2.2. series and number of ID;
- 2.3. place and date of birth;
- 2.4. personal identification number;
- 2.5. tax ID of a private entrepreneur;
- 2.6. status of bankruptcy.

3. on borrower – legal entity:

- 3.1. name;
- 3.2. tax ID;
- 3.3. status of bankruptcy.

4. on a group of related borrowers:

- 4.1. name of the group;
- 4.2. identification number.

5. on guarantor:

- 5.1. first, middle and last names;
- 5.2. series and number of ID;
- 5.3. place and date of birth;
- 5.4. tax ID of a private entrepreneur.

6. on guarantor – legal entity:

- 6.1. name;
- 6.2. tax ID.

7. Credit:

- 7.1. identification number;
- 7.2. type:
 - 7.2.1. borrowed money;
 - 7.2.2. credit line;

- 7.2.3. credit card;
- 7.2.4. guarantee or warranty;
- 7.2.5. overdraft lines;
- 7.2.6. written-off loans;
- 7.2.7. lease;
- 7.2.8. factoring;
- 7.3. amount;
- 7.4. full amount of limits on opened credit lines;
- 7.5. principal debt amount to be due as of the reporting date;
- 7.6. contractual outstanding interest amount as of the reporting date;
- 7.7. currency;
- 7.8. date of issue;
- 7.9. maturity date indicated in initial agreement;
- 7.10. contractual maturity regarding prolongation, re-documentation, restructurization and other changes;
- 7.11. term (months);
- 7.12. annual interest rate;
- 7.13. monthly installment due;
- 7.14. last repayment date as of the reporting date;
- 7.15. purpose:
 - 7.15.1. consumer loans to individuals;
 - 7.15.2. mortgage lending to individuals;
 - 7.15.3. trade and services;
 - 7.15.4. energy, chemistry and natural resources;
 - 7.15.5. agriculture and processing;
 - 7.15.6. construction and property;
 - 7.15.7. industry and production;
 - 7.15.8. transportation and communication;
 - 7.15.9. oil sector;
 - 7.15.10. other;
- 7.16. number of days principal is past due (number of delinquencies);
- 7.17. number of days the interest is past due;
- 7.18. number of prolongations, re-documentation, restructurization and other changes;
- 7.19. classification:
 - 7.19.1 secured by cash;

- 7.19.2. satisfactory loans;
- 7.19.3. watch loans;
- 7.19.4. non-satisfactory loans;
- 7.19.5. doubtful loans;
- 7.19.6. loss loans.

7.20. status:

- 7.20.1. fully repaid;
- 7.20.2. NPL;
- 7.20.3. written-off;
- 7.20.4. performing.

8. Securitization:

8.1. collateral (mortgage):

8.1.1. type:

- 8.1.1.1. real estate;
- 8.1.1.2. movable property;
- 8.1.1.3. funds in the account;

8.1.2. subject and description;

8.1.3. value (in AZN);

8.1.4. name of the registering public authority and the registration date;

8.2. warranty;

8.3. guarranty;

8.4. unsecured;

8.5. other.

Note: Items 7.17 and 7.19 of Annex 1 shall not apply to the data to be delivered by NBCIs.

Annex 2

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

STATEMENT FROM THE CENTRALIZED CREDIT REGISTRY

Date of compiling:

Date borrower history introduced:

1. Personal information

1. First, middle and last names of an individual/name of legal entity
2. Tax ID
3. Series and number of ID, place and date of birth
4. Status of bankruptcy

2. Summary of credit data (in AZN with outstanding amount of credits)

N	Summary	principal	interest	# of loans	# of credit institutions
1.	Aggregate credit exposure on borrower				
1.1	Loans				
1.2	Credit lines				
1.3	Guarantee and warranty				
1.4	Overdraft loans				
1.5.	Factoring				
1.6.	Lease				
1.7	Written-off loans				
2.	Total monthly installment				
3.	Total amount on fully repaid loans				
4.	Total amount on guarantor liabilities				
5.	Total liabilities on a related group of borrowers				

3. The number of inquiries on the person within the recent 12 months, response date and purpose, name of inquiring banks and NBCIs;

4. Data on borrowers per credit in Item 7 of Annex 1 (excluding Items 7.11, 7.12, 7.18 and 7.19);

5. Number of days principal is delinquent (contractual) within the last 2 years:

- N/A
- 1-30 days
- 31-90 days
- 91-180 days
- 181-360 days
- over 360 days.

6. Data on borrowers per credit in Item 8 of Annex 1.

Annex 3

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

**Inquiry
to the Centralized Credit Registry**

Date: _____

Individual:

first, middle, last names: _____

series and number of ID: _____

Tax ID (if any): _____

signature: _____

Legal entity:

name: _____

Tax ID: _____

first, middle, last names of the authorized person: _____

signature: _____

Purpose of the inquiry:

Stamp

Personal use Clarification

Notes _____

I would kindly ask you to send results of the inquiry to _____

(specify the address)

In the event the results of an inquiry are taken by a third party, his/her:

first, middle, last names: _____

series and number of ID: _____

Contact numbers: _____

Annex 4

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

**Distant application
to the Centralized Credit Registry**

Date: _____

Individual:

first, middle, last names: _____

series and number of ID: _____

Tax ID (if any): _____

Signature: _____

Legal entity:

name: _____

Tax ID: _____

first, middle, last names of the authorized person: _____

Signature: _____

Purpose of the inquiry:

Stamp

Personal use Clarification

Notes _____

I would kindly ask you to send results of the inquiry to

(specify e-mail and postal addresses)

In the event the results of an inquiry are taken by a third party, his/her:

first, middle, last names: _____

series and number of ID: _____

Contact numbers: _____

- Signature for individuals should be notarized or confirmed via electronic signature;
- Only inquiries made via e-signature may be sent to a postal address.
- The inquiry shall be attached with a copy of the ID certificate;

Contact numbers: _____

Annex 5

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

**Application of consent
to obtain credit data**

Date: _____

Individual:

first, middle, last names: _____

series and number of ID: _____

Tax ID (if any): _____

signature: _____

Legal entity:

name: _____

Tax ID: _____

first, middle, last names of the authorized person: _____

signature: _____

Stamp

I issue my consent to obtain all data on myself from the Centralized Credit Registry of the Central Bank of the Republic of Azerbaijan to review my creditworthiness.

Name of the **bank or NBCI that issued a consent:**

This consent shall be effective and irrevocable upon termination of the liability emerged from credit issuance.

Annex 6

to Regulations on Maintenance and Usage
of the Centralized Credit Registry

**Complaint
to the Centralized Credit Registry**

Date: _____

Individual:

first, middle, last names: _____

series and number of ID: _____

Tax ID (if any): _____

signature: _____

Legal entity:

name: _____

Tax ID: _____

first, middle, last names of the authorized person: _____

signature: _____

Subject of the complaint:

Stamp

- The statement holds credit data not related to me;
- Delinquencies are not proper;
- Credit is closed, however, the information has not been updated in the registry;
- Other _____

Description of the complaint:

Address: _____

Contact numbers: _____