

**The following document
is a translation of the
official Notification from
Bulgarian to English
language**

**TO
THE FINANCIAL SUPERVISION
COMMISSION**

**THE BULGARIAN STOCK EXCHANGE
THE PUBLIC**

PRESS RELEASE

by

Bulgarian-American Credit Bank,

registered in the Commercial Register with the Registry Agency with EIK 121246419, with headquarters and registered address in Sofia, Sofia Municipality, Sredetz District, 2 Slavyanska Street,

REF: Disclosure of information

Pursuant to art. 4 of the Measures against Market Abuse with Financial Instruments Act and to art. 27, art. 28 of the Ordinance No. 2 on the Prospectuses to be Published when Securities are Offered to the Public or Admitted to Trading on a Regulated Market and on Disclosure of Information by the Public Companies and the Other Issuers of Securities, The Bulgarian-American Credit Bank (BACB) discloses the following circumstance:

On September 25, 2014 Bulgarian-American Credit Bank issued **eight mortgage bond issue in the amount of EUR 5,000,000** with ISIN BG2100006142.

Leading Manager of the bond is “TBI Invest” EAD.

The initial offering of the bonds was performed under the conditions of private offering to limited parties pursuant to art. 205 (2) of the Commercial Act (not under the conditions of public offering). The issue was subscribed to the maximum proposed amount.

The mortgage bond issue is issued under the following conditions and parameters:

- *Type of bonds* – common, interest-bearing, book-entry (registered with the Central Depository), registered, transferable, securitized, non-convertible;
- *Amount* – EUR 5,000,000
- *Maturity* – 60 months as of the date of issuing or September 25th 2019;
- *Interest Rate* – floating interest rate, formed by the sum of the Six-month EURIBOR, increased by 4.20% p.a., payable by six-month coupon payments, calculated on the grounds of simple interest rate for the respective six-month periods on the face/outstanding value of each bond, with interest convention Actual/365L (ISMA – Year, Actual/Actual);
- *Payment of Interest* – on six-month basis, on the day of the expiration of each six-month period; the first payment shall be made after six months of the date of the bond issuance (September 25th 2014);
- *Repayment of Principal* – as per Repayment Schedule on the respective dates of the interest payments;
- *Collateral* – first priority special pledge on the pool of BACB assets, included in the bond issue cover, namely: mortgage loans included in BACB portfolio, secured with one or more first priority mortgages in favor of the Bank on real estate properties specified in art. 2, para.2 p.1-4 of the Mortgage Bonds Act;