

Translation from Bulgarian language

Tzvetan Vassilev for *Voices*: They demanded that I assign assets gratuitously. Once I confronted them they sparked the Corpbank AD crisis.

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The financial gap of four billion leva is a fiction. The bank was controlling a business worth two billion euros. They want it too, those who are hunting me down. The prosecution and government institutions have been used for that purpose, Tzvetan Vassilev says in his scandalous interview for *Voices*. And more: Delyan Peevski is only a tool, a coordinator in a larger scenario. Ivan Iskrov was aware of the plot against Corpbank AD. If no action is taken, *Vivacom* will turn into a Russian asset in May. Is that not a threat to national security? The newspapers of Tosho Toshev, Venelina Gocheva, Petyo Bluskov, and Todor Batkov owe 34 million; will the government seek it from them? Domuschiev should deal with his alchemy and quit pretending to be an entrepreneur. A deal with Louvrier will happen only if obligations are settled. If I wanted to steal those assets, I would have done it without anybody knowing. Classic oligarchs do not exist in Bulgaria beyond politicians. I have recounted everything about them - with evidence and details, before a notary. I stood against the system, and now they are after me. Investigation into an assassination attempt against me is being conducted in Belgrade.

- Let's start with the hot question: Did you sell to yourself *BTK*, *Dunarit*, the multiplex operators and the rest of the businesses of package deal in point?

- Now, why would I sell those to myself if I already had them? Such ridiculous allegations are spread deliberately and solely in order to manipulate public opinion and "formally" to protect undemocratic legislative changes written afoot and overlooked.

- Well, if you had them, how did you get the money to acquire them, the former head of the National Audit Office Valeri Dimitrov has asked recently?

- First of all, you should take into consideration that all these assets were acquired through SPV - special companies funded by the bank to manage projects. Those fundamental instruments were the basis of the strategy we adopted from the very beginning after the purchase of Corporate Commercial Bank AD and we had successfully followed that strategy till the day of the bank's artificially induced bankruptcy.

- What does SPV stand for, I did not understand?

- Companies which were founded for the special purpose to be financed for acquisition and restructuring of certain assets. At the launch in 2000, we had to search for our market niche so that we can successfully compete with the other banks. And we found the niche precisely in this field: acquisition, restructuring and sale of various industrial assets and, in this regard, we have gained quite considerable experience over the years. We had specialized in export and pre-export financing, and we were among the few banks that offered such services. It was no coincidence that major companies of the military industrial complex were practically one hundred percent serviced by Corporate Commercial Bank AD.

- It does not mean that they are yours...

- It does not mean that they are mine or the bank's. They have been our priority clients. Having arranged this putsch against the Corporate Commercial Bank AD, all its assets were subject to extreme stress, which repeatedly reduced their price. In fact, these assets which lately have been so much fussed about in Bulgaria were part of the consortium's proposal for recovery and reorganization of the bank, and this proposal was ridiculed as a frivolous note. All these assets were proposed to be nationalized against the reorganization of the bank. But the consortium's proposal in point was rejected by the government and the Bulgarian National Bank.

- In other words, what is happening now with Pierre Louvrier is what you offered to the state in the summer of last year. I remember now, Ivan Iskrov, back then, called that proposal unserious.

- Ivan Iskrov is not serious per se. He should recollect our lunch at the end of May when I warned him that an attack was being plotted against the bank and he should stand his ground for a governor is supposed to be independent – this is why one is elected - and not for being amenable to influences on the part of prosecution office, Interior Ministry, politicians and groupings...

- So, Ivan Iskrov was aware of the attack planned against the bank and everything that was about to happen at the Corpbank AD?

- Not only that he knew it, Iskrov warned me with the words "Do you know what you are doing?", and I replied: "I know what I can do, but more important is what you can do to prevent the consequences of this attack?". It happened at lunchtime at the Central Bank, although he denies it and states he has not seen me.

– Currently, Iskrov says that in the past fourteen years the bank had been fine however he does not know how it turned out that a gap of 4 billion leva appeared over the last year.

- This gap is a fiction. It was fabricated in order to formally have grounds to revoke Corporate Commercial Bank AD's license. There is direct evidence about the stability of the bank: inspections carried out by institutions, audits, Moody's rating, and mostly, in my personal opinion, the confidence of international investors who acquired minority shares in the bank.

Even now, I keep saying that referring to June 20th, 2014, when Corporate Commercial Bank AD was placed under special supervision with my consent, the bank was one of the most happening and vibrant on the market and I shall give you a few examples:

Through its own SPV-s, the bank controlled certain business whose evaluation exceeds two billion euros. Exactly those four billion leva, which allegedly have been missing. Through the hysteria in the past week I see that some people have started talking about what I have been repeating for months – that the bank really has many assets which naturally were funded by the bank however I have established a practice of my own not to capitalize on them on my part. All dividends generated from those assets have been added to the bank result and it can be confirmed both by the executive directors and the prosecution leading witness Biser Lazov.

- Let's get back to those four billion. No document appeared anywhere, nor any evidence of lack of this amount which started, for the first time may be, spinning around the media last summer?

- No. These four billion came up a little later when the investors had to be drawn back. The original review of the Central Bank aired by Dimitar Kostov referred to our bank needing billion and a half levs. We offered two billion against assets where the form could have been be of various nature: temporary financing or temporary acquisition by the state with a a buy-back option etc., as long as there was a person of statesman's thinking. Yet, what kind of statesman's thinking can possibly be discussed given that, in May and June, I had meetings with the three leaders of the three leading political forces immediately after I was threatened bluntly that if I did not transfer shares of certain companies they would attack the bank, and all of them fled responsibility. I warned them, all three of them...

- Those who ruled at the time...

- Not only those who ruled. The third one is the current Prime Minister Boyko Borisov. I had a meeting with him on June 6th, 2014, and I warned him that things can get catastrophic. Not so much for me and for the bank as for the state.

- What did he answer to you?

- Firstly, I don't want to tell you about the "criminal" way I got hold of him. He was afraid to meet me because I was under surveillance, absolutely illegally. Without any charges, without anything. I was, completely unlawfully, being monitored by all authorities and all special services. I will not yet tell you what we talked about.

- However, let's recall how it ended up with the Corpbank AD crisis because right before it started there was a campaign organized to withdraw money from the bank. A colleague of yours reminded me that Berets were photographed in front of a Corpbank AD office and shown on television. Without, however, mentioning that they did not enter and search said office but were only posing by the Corpbank AD logo to appear as if a special force action was running.

- Let us start a bit further back in time. To take me out of the game they started by accusing me to be the one who ordered the murder of Delyan Peevski. Their purpose was to either get me in, behind the bars - the effect would have been the same, or be compelled to stay outside to make it easier for them to attack and destroy the bank. Eventually, they have achieved their goals.

- In other words, the problems in the bank occurred when this massive campaign began and people, as well as various public and private companies started pulling their money out of the bank.

- Ask yourself, is there a bank worldwide to endure after 20% of its assets have been cashed out within a week. Over one billion were withdrawn, and still, based on their evaluation there were around 500 million left in the bank. Despite said billion and a half they declared that the bank had no liquidity, and no state help can be granted. Because of this inadequate and irresponsible reaction Bulgaria will have problems with the European Commission. And I have addressed a referral to the European Commission and the European Banking Authority about double standard policy and unauthorized state help to

third banks. And I see unauthorized state help in favor of competition also through the attack against Corpbank AD and withdrawals of funds to the benefit of third banks. It was merely a political attack.

Mark June 13th. The thirteenth of June as a key date. It was then when they accused me of ordering the murder of Delyan Peevski! Do you realize how this sounds – the Chairman of the Supervisory Board of the fourth largest bank in the country has ordered the murder of an elected member of parliament! Do you comprehend how it affects all of the bank clients? What could they possibly think? Yet, those clients did not fall in immediately. I cannot even describe to you what followed.

I hold evidence of clients being squashed and pressured including threats as well. Some of them were explained that if they failed to withdraw their money from the bank they would suffer.

I would recall here the hysteria that was triggered about First Investment Bank in the second half of June. 800 million were withdrawn from Fbank in one day however the state helped by granting one billion five hundred million which is an act of double standards.

Moreover, the crisis at First Investment Bank was initiated from below - from the depositors who started spreading rumors among themselves while the Corpbank AD crisis was institutionalized from the top and the depositors were led to believe and some of them were pressured to withdraw their money from the bank. Our depositors never wanted to believe that the bank servicing most industries would be torn down, even more, in such a brutal and criminal way by the state itself. To show you that everything was prepared and certain people were aware of what was expected I will share a little fact. A week before the onset of the bank crisis Venelina Gocheva withdrew her money from the bank...

- What was the amount?

- About one hundred fifty thousand euros. Moreover, people who withdrew their money then are hiding today that they are actually the owners of the newspapers *24 chasa* and *Trud*.

- These are the people around Delyan Peevski...

Also, Nedyalko Nedyalkov of PIK who has allegedly sensed everything and has intuitively done it. There are also other people; anyway, what I want to say is that everything has been organized. Panic has been artificially planted and employees of certain companies were marshaled to stay in line and spread panic in front of the bank branches requesting to withdraw between fifty and one hundred leva! The majority of those were employees of a well-known holding in Sofia...

- Bulgartabac?

- For example.

- Let's go back to the behavior of the state which refused to react. You said you offered them different options.

- I proposed twice what has practically happened to the private buyers today. The first time it was in the summer when in process was still the concept of reorganization and there was a specific plan. This was the reason to hire EPIC - in order to coordinate the overall work on setting up the consortium. I, in my isolation, was not able to do it so they were

hired, not as a fund to provide finance but as a fund to develop and implement the rules of the game for this consortium. Although I was not here - believe me - the major part ran through me. I have examined everything position by position so that I can show them that the bank has sufficient substance. Then, there would have been no depositor and no business damaged.

- So, this crisis is not your fault at all, it is all because of the actions or failure to act on the part of the state, is that correct?

- I maintain that the interests of this particular circle that attacked me were served by all. Starting from the prosecution and investigation services, going through special services to the Central Bank and the government at the time. All of them are in the game.

- What was the purpose? Take over the assets?

- Well, it has become clear now. This frantic howl is showing them now. Do you realize the kind of pressure Grisha Ganchev is exposed to with *Petrol* nowadays, simply because they were unable to acquire the company? Furthermore, let's not forget that, in May last year, I filed a complaint with the prosecution office against Delyan Peevski. The complaint was a signal of blackmailing. The prosecution office rejected it after having interviewed, note, please, which witnesses: the leading witness against me - Biser Lazov and the main manipulator of all legal elaborations against me and against the bank - Alexander Angelov. They refused to talk although, at a different location, Biser Lazov gave testimony that he was present at a conversation in which Alexander Angelov was blackmailing me on behalf of Delyan Peevski.

- What did Peevski request from you?

- He demanded that I gratuitously assign packages of shares of almost all those companies we talked about a moment ago.

- Without compensation!

- Without compensation.

- When did this happen?

- In April last year. Once I refused, everything I have just told you about happened.

- It turns out that Peevski gave the command to the entire state.

- If the Prosecutor General is not ashamed of this, obviously he was given the command. Or he was misled, at least. But when you go for an action of the kind, you should better check your things and envisage what the consequences would be. Good, they will find me guilty and put me in jail for twenty years... What does the state win out of this? And what is this all about?! When a man has fallen everyone has the urge to kick him and spit on him... I have seen it and felt it on myself. All those who are doing this today, were standing and waiting for weeks outside my office to meet me. And regarding Peevski - he, as I have said before, is only a tool, a coordinator in a larger scenario.

- Now, let's talk about the current deal? What is it about?

- The group of companies which are for sale has a certain volume of debts to Corpbank

AD. There will be a deal, as I said to Mr. Louvrier, provided that he repays the debts of those companies to the bank. It is a very important point to know and I want to focus heavily on it. I'll be the first to break the deal if he fails to do this. Repayment of debts is *conditio sine qua non*, without it there is no deal.

- You mean that there will be no deal without having started repayment of debts?

- Precisely. And something very important regarding suspicions towards me. If I wanted to steal those assets I could have done it a hundred times by now, without anyone knowing. 43% of them were free of any encumbrances and I could have pledged them against some money, I could have assigned them without anybody knowing what I have done. Nothing like that has crossed my mind though. By November 6th last year, I was working on rescuing the bank. I fully dedicated myself on that - I had meetings with investors from all over the world, which is something no one in Bulgaria realized. However, those who attacked me and humiliated me, were coming to me with unconventional proposals like that of transporting by ambulance back to Bulgaria, then hospitalizing in the Interior Ministry hospital while waiting for the fuss to fade away, and once I kissed their hands they would "save" me. I would only get a suspended sentence... But I summoned strength to confront them taking a huge risk which I am aware of. I have simply not realized how irresponsible prosecutors and state institutions can be.

- Your surprise is striking me. Do you not know them, yet 20 years you have been a part of it? Not to mention that almost any average Bulgarian knows that there is no state.

- Unfortunately, I have also been a part of the status quo. I have a certain fault...

- And "contribution"...

- Yes, "contribution" in commas, in recent years though - in 2013, I realized that I have been gravely deluded.

- What were you deluded about?

- About human virtues, human values. Certainly. I have been aware of the risks, and then again, I have been aware of my power as well.

- And what is your power about?

- Ha, what is my power about?! Firstly, my power is in being correct and honest. I have not stolen a cent from this state. And now, since they want to appoint companies to track the stolen money, I wish them success. I even have a proposal for them - provided that they find somewhere money that is "drained" from Corporate Commercial Bank AD and has not been declared, let them deduct 2% fiduciary fee for me, and they can have the rest...

- Let's repeat, in case it has not become clear: what is the concept of the transaction with Pierre Louvrier?

- To save the companies. I don't know why no one has ever understood that the huge risk for *Vivacom* does not come from me, but it originates in the Russian bank VTB. Firstly, VTB currently holds 33% of the package that does not belong to it. This package is paid by a company that owes money to Corporate Commercial Bank AD. Mr. Louvrier is currently

the majority owner of this company. Secondly, a bridged loan of 150 million euros is due in May and if no one can find a way to refinance it or reach an agreement with VTB, by the way, VTB declined to communicate with me, then *Vivacom* would become 77% Russian state property. So, where is the threat for our national security, I am asking. And this is about to and will inevitably happen, if not addressed adequately.

When I noticed I have no energy to fend by myself I looked for several options. I also spoke to an American group; however all were supposed to do two things: to ensure a minimum resource for the purpose of paying back to the bank and to settle the matter with VTB. And this is the condition I have set for Mr. Louvrier and his company. Do not seek any large amounts of cash in Mr. Louvrier's company! No one is obliged to have that kind of cash. Probably, Mr. Louvrier has ideas for strategic investors in *Vivacom*. To me, he is not a strategic investor as he enters under terms of the so-called distressed asset or impaired asset. And this is certainly an occasion to ask publicly: who is going to pay the difference between the actual value of this asset which was controlled by the bank at the moment of the attack organized against it and its current value. I will tell you one more thing that barely anyone will argue about: the value of the package controlled by the bank, referring to May 2014, was nearly five hundred million euros. The bank has funded this asset of 77%. For 150 million euros! 350 million euros were supposed to flow as profits within the structures, respectively in the bank. My condition to Mr. Louvrier is to pay a minimum of 200 million euros to the bank. And this is well known, they can have it checked. I am asking now, who is going to pay those 300 million euros? The Prosecution Office, Mr. Ivan Iskrov, Plamen Oresharski? I will sue the state. They should know that. Because my loss is not related to *Vivacom*. I generate losses for having my shares in the bank cancelled.

- So, the losses and impairment of assets you have just now referred to are only incurred by *Vivacom*...

- I can also tell you how much the impairment of *NURTS* is. 100 million euros. Who will cover it? Do you know how much the losses incurred from *Petrol* are? The bank controlled 97%. *Petrol's* price on the stock exchange was about 3 levs and 30 cents per share before the attack triggered against Corpbank AD. It is currently 1 lev - 1 lev and twenty cents per share. 2 levs less, which means two levs by one hundred five million shares – that makes two hundred ten million levs. Do you know how much the bank lost from the plunge of *Bulgartabac* shares after the deputies of the governor Mr. Ivan Iskrov, I mean the conservators, failed to attend the meeting that we had convened to prevent the majority owner - it is clear who is behind the majority owner of *Bulgartabac* - from disposing of and draining *Bulgartabac*. We tried to preserve the value of the minority stake.

The bank has around 500,000 shares. The price has now dropped from 100 levs per share to 40 levs per share. 500,000 shares by 60 leva account for a loss of 30 million levs. And that's on my account too? And I can keep reciting numbers with hours. I say that at the time of the bank closing the assets that are directly or indirectly linked with me exceeded 2 billion euros. That's where the "gap" of 4 billion levs comes from, 4 billion leva which some people wanted very much. Let me repeat – we started at one billion and a half as stated by Dimitar Kostov which I have already mentioned to get to four billion at the time the consortium's offer was supposed to be accepted. Do you think it is a coincidence?

The methodology of the bank auditing does not apply anywhere in the European Union. It

was specifically applied to Corporate Commercial Bank AD. I firmly state that no bank in Bulgaria can endure that methodology. Plus, another aspect comes in here. Terms are different when it comes to servicing credits/loans when the bank is normally operating and it is not operating. Do you know how many investment projects have been suspended? Now, they have all been provisioned between 90 and 100%. There is no way an investment project can generate income. Interest rates are set in the final loan amount by the time of the project commissioning. Now, all of this is a bad credit, and ultimately, the objective is clear. They have not found the proper approach yet as to how to tear it to pieces and sell piece by piece. But I know that there are currently agents of the two major clans that have been working on the liquidation of the bank and have been offering the enterprises. Do you know in how many places they offer *Dunarit*, and in how many places they offer *Vivacom*, and in how many places they offer the glass factories...

– One of the clans I can figure out. It is Peevski's. Who is behind the other?

I will keep silent on this issue for a little longer while. Once again, it comes up to a political and economic circle. But I will go back to the Louvriert transaction. Companies' debts will be paid back to the bank. How the government will proceed further with the money that will receive in the Corporate Commercial Bank AD accounts, is an issue of their own.

- When the Corpbank AD scandal broke out many people said that it was clear that the bank was a pyramid as it offered unrealistically high interest rates on deposits.

- They were not unrealistic and I will explain to you why. We use to make constant analysis of our interest rate spread and we have always moved slightly below the average interest spread of the banking system, which was at the expense of much lower administrative and management costs we incurred as compared to others.

- Could you elaborate in a more comprehensible manner?

- Our administrative and management costs were lower by about two percent compared with those of the banking system. The final cost of the bank was formed by the interest paid plus the cost of staff salaries and maintenance of headquarters and branches. With 600 people on payroll, we were managing 8 billion leva worth assets. For example, DSK manages 11 billion with nearly 4000 people. Well, you do the math. I have repeatedly said it, yet no one wants to understand and perceive it - these banks with clumsy branch structures transfer their own inefficiency onto their depositors. Moreover, I will not go into details now. Unlike many of my colleagues who took turns to spit at me and discuss my affairs while a year ago dreamed of sitting down for lunch with me to talk about issues of the market, I will not go offending them. Nor will I list them by name, I will however say one thing - we have been open and honest with our depositors. We have shown everything that we have paid to them on board and on tariff. Do you know how many practices of concealed arrangements with depositors exist at the other banks? Official tariff is one however the arrangement with the particular depositor afterwards is quite different.

- Did you not have any such practice? It was part of the attack against you - that some people were arranging somehow better conditions.

- All depositors have used a few products that we offered. They were offered the way they were - in accordance with the tariff previously developed.

- In our preliminary conversation when I asked you about the high interest rates you gave me as a negative example Milen Velchev's transaction with regards to Bulgaria's foreign debt. Can you say anything in this aspect about the state debt?

- I think that Velchev should say more on this issue. The foreign debt transaction is "perfect" in terms of private interests but not in terms of state interests because Velchev committed two offenses against the state. The first offense was that several insiders, investment banks, knew about the emission of new debt and bought the existing debt at a discount of between 25 and 15 percent. This is the first offense.

- This was inside information which leaked...

- Naturally. Just check which bank was the most active investment bank...

- Merrill Lynch...

- Well, of course. And, secondly, Velchev fixed the interest rate under clear trend of falling interest rates over the long term. But he fixed it. In principle, interest is a flotation variable i.e. it is floating and it comprises a base, which is EURIBOR or LIBOR, plus a margin. But, just look at the last debt emitted by Goranov. It is, roughly said, if you believe what is written, about 3 percent plus something together with all charges which they do not announce, of course, because, certainly those are not very convenient, against 8 percent and half. And yet there were lower interest rates at a given period of time. I am talking about the period before the crisis of 2008. Do you realize that somewhere around 6-7 percent was the spread, in minus, for the Bulgarian state, which the state was paying each year?

- ...Years. That was 12 years ago ...

- Well, 7% on 4 billion, you do the math. Six, if you will. Maybe between 200 and 300 million euros/US dollars more of the budget was spent only on interest per year, compared with market interest rates. So long with Velchev's horizon of thinking.

- One of the attacks against you is about the enterprises, now involved in the deal in point, being part of a national security matter. How do you respond to that? And the fact that Vivacom, let's say, is part of national security.

- What about the bank – it was also part of the national security, yet they tore it down. Then, what is left to talk about?! I am legitimized. If you go through the shareholders' agreement you will see that my sole company *Bromak* is a shareholder. Such was the authorization of the European Union's Competition Commission.

- That means, you are not hiding at all behind any other...

- I have not been hiding, even for a moment, from all of this. The transaction is financed; *Bromak* is indebted to certain companies. This is a fact. But I do not think I have committed a crime.

- You mentioned that you would sue those who did all of this, but...

- I can sue the Bulgarian state; sadly, I cannot sue personally the organizers and perpetrators of the brutal attack against Corpbank AD. Bulgaria will pay the price.

- That is what I wanted to ask. There are also many people who sustained damage as

bank clients - depositors, companies will probably file claims as well. Is there any ballpark estimate of how much the state will pay for its failure to act about this bank?

The amount to be paid by the state will be the one awarded by the court. But I can say what the damages are. And the damages really amount to billions.

- Over 10 billion damage to the economy...

- I told you: the loss from *Vivacom* is only 300 million euros. Plus 100 million euros which represent the *NURTS* loss. Plus another 120 million euros estimated to be the *Petrol* loss. A lost profits with interest that the Bulgarian state will be ordered to pay? Who will pay for these losses?

- You said that you can sue the state. Why?

- That's a must. They must be convinced that I will do it. Because, firstly, it will be my moral compensation for all the indignities to which I and my family were subjected to, of course. And secondly, this is the only way to compensate those who lost money as a result of inadequate policy of the state and the politicians.

- In other words, you will not request money for yourself. Bulgarian state shall also pay, except debts, expenses incurred for the litigation for time to come...

- I hope so. It is another matter that depending on the progress of these cases, I will set up a fund to compensate those who have lost their money at the bank, yet I will not compensate the state. I shall only compensate the ones who have lost money at the bank. I do not want it for myself. Not that I have a lot of money, I just do not want it. I will sue the state, first for damaging my reputation; for it demonstrated that it violates European standards. I am talking abstractly about the state, actually I refer to specific authorities and institutions, of course; for this state gave way to the stories of one or two persons in it. Until now, said legends have been spread in this state, still by the same one-two persons. And as if by order, or by command, they went ahead pleasing whims. Just because someone's requests and requirements were not satisfied. I do not think that can happen even in Burundi.

- However, there is such point of view on the part of politicians: we made him a banker, we will take his bank. How did you become number one? And how would you respond to the attacks that you made your big business with money of the state?

- I do not see a single reason to be blamed for the fact that the bank has worked with state-owned companies. Is this a crime? A private bank. And how very normal is it for international banks to work with money of the state?

Go to Italy and check how many of the state-owned companies and budget organizations work with foreign banks. Is there even one euro in international banks, not Italian? Go to Germany. This xenomania of ours must end – once and for all. We are swaying from one extreme - Russian, to the other extreme - European-American. And we think that someone might be more kind and dear to us. No, they will not. We must first begin to stand our own interests.

First, we have worked with the state-owned companies under competitive conditions, i.e. we have provided them with the best conditions. Remember that the attacks against the

bank began back in 2009-2010 with all procedures in Brussels on the occasion of the allegedly unauthorized state aid. After a thorough examination the European Commission concluded that no state aid was present at Corpbank AD.

Actually, in my opinion, the attack against the bank was planned back in 2009-2010. Many people could not bear the fact that exactly in the course of the finance crisis the bank started to grow more successful and to gain new territories which is why they began to deliberately and purposefully work for its denigration.

This was the truth. In crisis, I simply follow an ancient Chinese wise saying: when the storm winds began to blow I did not start building walls but I started making windmills and using wind power, the power of the storm. Back then, we went in more boldly. Then I managed to sell 30% share to Oman. Now that you ask me where my money came from, let me tell you that this transaction was worth over 90 million euros and officially, it was a Sofia Stock Exchange transaction.

- Yes, but some people say that this is a fictional fund, that it does not exist and these are urban myths.

- Well, since it is a fictional fund, why did the Fund CEO pay a visit during the crisis in the summer? Abdul Salam al Murshidi came. Do you think that Abdul Salam al Murshidi would sit in the Supervisory Board of the Bank being the chairman of a state-owned fund of a sovereign state? Even the US ambassador was also instilled that this was some money owned by Dogan or who knows there. And those people would sit in the Supervisory Board of the Bank to ensure Dogan's or Tzvetan's alibi?

- That sounds really ridiculous.

- All of their doing and saying is ridiculous. But let me continue. Firstly, the bank has provided the best conditions in a competitive environment. Secondly, I would give you an example: before the onset of the 2008 crisis, a great banker of chemical education went to explain to the Minister of Transport at the time - Mutafchiev, that he should not keep his money in Bulgarian banks because they were who knows what, they were pyramids etc. Back then, contests were held and won by several Bulgarian banks, including Corporate Commercial Bank AD. Interest rates varied between 4.5 and 5.5 percent, and that he called a pyramid. When the crisis kicked off and the mother bank in Milan began to suffer this very same ubiquitous technologist chemist went to the same minister explaining that his bank is ready to pay 8.5 percent, just to pour some liquidity. So, let's call things by their real names.

Corporate Commercial Bank AD has not taken anything from the state for free. What does "it has taken" mean? It was paying the most competitive interest rates and the money has been repaid. How much was the cash in Corpbank AD after its closure?

- I was about to ask you that. By the way, how much was the cash from state enterprises in the bank before the crisis?

- In our count, it must been between 3 and 4 percent of the total. How much exactly is left now, I have not monitored it on a daily basis but since I knew that, to some extent, it was a political risk, I preferred to reduce to minimum the share of this type of funds. I do not think that it is a crime they worked with Corporate Commercial Bank AD, because, I will add that Corporate Commercial Bank AD was the major creditor of the companies in the energy

sector. Unsecured funding of NEC, unsecured funding of *Bulgargaz*, of the *Maritza* mines, *Maritsa* TPP, funding of almost all suppliers to *Maritsa* TPP, *Maritsa* mines, the *Kozloduy* - funding which translates into risk-taking with regards to state-owned companies. Including Bulgarian State Railroad (BDZ) bonds.

I was not "made by the politicians". I have been taken advantage of by the politicians. Nobody "made" me. But all began to take advantage in particularly arrogant manner in the past five years.

- When I and two colleagues of mine (Kristina Patrashkova and Nedyalko Nedyalkov who now he has a different position with regard to Peevski – author's note) attacked Delyan Peevski and his media empire, we realized that there was no market logic in which the media operated. Back then, the scheme was clear to me in a way: you continuously pour money taken from the state, and with this money he supports the media. Was that the case?

So, I have not taken money from the state to pour into his business because the bank, when granting a loan to a company, had this company bear liability to the bank, while the bank had borne responsibility for state-owned companies whose money had been deposited in the bank.

None of the state-deposited levs had a mark on it to know. The bank's money is the money of the bank. It is a different matter that the Bank owes it to its creditors, i.e. depositors and customers. This is the truth.

And about the rest, my relationship with Mr. Peevski has not been well arranged, apparently. The fact is that now a mass of companies that are nominal owners of his newspapers, indirectly owes money to the bank, through other debtors of the bank. Claims have been filed against them.

Where is prosecution actually? After, allegedly, so many efforts on the part of the entire government struggling to repay the money, how does it handle the newspapers of Tosho Toshev, the so-called Tosho Toshev's and Daniel Ruts' newspaper? How does it handle the so-called newspapers of Venelina Gocheva and of Petio Bluskov? How does it handle the so-called newspaper of Slavka Bozukova and of Todor Batkov? Should I keep listing them?

- They all owe money?

- All of them owe money. Why doesn't the state work on repayment of this money? Because they serve those who are in power.

- How much, roughly, do these people owe?

- Officially 34 million. This is some serious amount which they were supposed to repay in a certain manner, but they never did.

- There were writings and I have heard from sources of state departments that you are an agent with the National Security Agency (NSA). Have you ever worked with the services?

- Obviously, it is a "fact" that the services had me "elaborated".

- This is not a direct answer.

- Every day I learn about myself new things I did not know of. Much as I am a NSA agent I do not recall but more than three months ago I formally requested in writing from the National Security Agency that they would notify me whether I have been listed anywhere as I am not well familiarized with their technology, God forbid. To this day, I have no answer. And I make an appeal to them, through this interview, to finally come out, but to do it officially.

Then, I will call on KGB as well as I was accused during my studies in Poland of having been recruited by the KGB. I will strongly address my plea, my request to the KGB to declare if I have been in their lists.

- In fact, I was surprised to hear you talk about Vivacom and VTB. I thought you and the Russians worked together on these transactions.

- I also thought so - that we are working with VTB as partners. However my disappointment in them is complete and it is mostly associated with their utterly passive position in relation to the bank. I expected them to intervene. Having not intervened about the attack against the bank, they could have at least intervened in the reorganization of the bank, because, ultimately, they lost money as well. Obviously, their representatives in Bulgaria have definitely taken a different position as a result of which you now see that the bank case did not remain isolated. Now we can recognize their true appetites with regards to *Vivacom*. Given the circumstances that, at the time of transaction, they expressly set their condition to bear no risk of shareholding in the company.

- In an interview, you have said that all you know, not only about the bank but also about Bulgarian political elite, about economic life, you have stated before court and it's been kept in a safety box in case anything happens. I am curious, what do you expect to happen and under what circumstances this safety box would be open, and when shall we actually know the whole truth?

- This safety box will be open in case of my death!

- So this is how it has been written in your testimony?

- Correct. It is available and it is not kept in a safety box under my control, it is kept with a notary. Besides, not just one but two notaries from different countries.

- What's in those stories?

- Many unpleasant details about the entire political elite.

- Isn't it appropriate to tell them? I do not want you to die but I want to know the truth about this elite, although I suspect what it is to a considerable extent.

- I think there is no average Bulgarian who does not know the truth of said elite. Browse through the forums and you will find out. The only thing is, I have specific evidence beyond general knowledge as to mental capacity of one and another, and who, where and how is involved.

- But do not you risk that way to be reproached of complicity, of knowing about the offenses but concealing them?

- I suffered my punishment.

- And what were you punished about?

- For I practically confronted a system built in decades.

- How did this happen? You were part of this system. You personified it.

- I guess it was what those people wanted from me - to personalize it. The truth is that politicians were parasitizing on me, not the other way around. I have not parasitized on politicians

- These days, Kiril Domuschiev said that you were not affiliated to CEIBG because you were an oligarch.

- I will allow myself to say just this to Mr. Domuschiev: let him deal with his alchemy and quit playing the role of a grand entrepreneur, he knows best how many times I have rescued him and how many times "I have been the best." Let him recall this. But it seems he has a very short memory.

- These relations are very interesting to me, i.e. you help each other and then, suddenly something happens and you literally get bitten...

- Who are "we"? We, the oligarchs?

- Yes...

- Look, I think, in the first place, the term "oligarch" has been absolutely artificially planted in Bulgarian terminology to serve certain interests, and this is above all the group around Mr. Prokopiev, who is not really, as in at all, an oligarch, has no classic features of an oligarch, it's just all his money came as a result of transactions with the state.

But, let's move to the subject. In Bulgaria, there are no classic oligarchs outside the politicians. Yes, those are the ones who have no single lev proven. One came up with 14 thousand leva tax returns. Another showed up with 7 thousand leva, while his mother had 50 million leva proven income and so and so forth. So, there are no oligarchs among business entrepreneurs. There may be robbers, maybe bandits, there may be those who draw the budget off but then again, they are well received in Bulgaria, they are raised on a pedestal. And people like me are "thieves".

- Actually, you leave behind some industry, but now, as you mentioned Ivo Prokopiev, I cannot think of anything he produces.

- He produces intrigues.

- From now on, what is your strategy? What do you expect to happen? How can you get out of this situation, since it is expected that the Supreme Administrative Court rules on the case and maybe your license will be revoked?

- From now on, there is just one objective for me: to show that neither I nor my colleagues are guilty and are unjustly accused. Surely we have shortcomings, we have made administrative errors and administrative violations, but I claim that not one lev was drained from this bank, regardless of the exceptional pressure on me, I say, yet again, especially vividly manifested in the last five years. And there has always been one idea behind: so, you are the one to keep the bank safe. And to keep the bank, I had to do other services

throughout this period.

- What services?

- Various. Some of these services have been described before the notary.

- This is the price of the compromise you have paid?

- This is the price of compromise and five years later I realized that indeed, if I do not stop this, I may lose the bank. But I do not think that irresponsibility, and I say, yet again, of politicians and of the state would go so far as to attack the bank. I was open for any kind of negotiations but not to assign share packages of the companies as it would obviously further reduce the bank's assets.

- Yes, they actually said this: that you through dummy companies, as it is the practice of a well-known banker from Russia, are draining your own bank granting loans to companies of your own...

- Hold on, hold on now. I know where the accusations are fabricated - in the "Angelov & Lazov" laboratory with the Godfather on top. But a different question is raised here: if those companies have been financed somehow, by the way I got acquainted with some of the them now, when the investigation began, I did not know part of the companies, obviously someone else was playing with this and it is my fault, I have guilt for not exercising sufficient control but these companies were used for acquisition, I repeat, of assets worth over 2 billion and a half euros, operating assets. They did not go into my pocket or who knows where. These were used to form assets, to acquire assets whose capital gain could cover obligations. And I am not ashamed of that.

- You mentioned the word "investigation". Why did you fail to appear in Bulgaria to give testimony before the prosecution office?

- This is a very long saga. I started telling you how the attack was organized against the bank - with the accusation of me allegedly ordering Peevski's murder which automatically meant my arrest preceding the fall of the bank. That's why I stayed outside, it is not for absconding.

Secondly, through my lawyers I filed at least four applications which remained unanswered or were rejected – I requested guarantees from the prosecution office with regard to my life and my safety.

- How come they remained unanswered?

- None of them was answered. And I will tell you another thing: now, in Serbia, statements, written statements have been collected for organized assassination against me.

- Given by witnesses?

- Testimony of witnesses who revealed it. It is currently at Serbia's court. How do I go back to Bulgaria?

- Is there any investigation or trial pending here in Serbia?

- This now is being investigated here. Moreover, in September, through my lawyers I asked to be interviewed via videoconference.

- I remember that.

- That I was also refused.

- It is a perfectly legal technique in terms of applicable law and is recognized...

- I could not give my opinion, but my legal advisors I rely upon confirmed it.

- That is, a camera is placed around here and the prosecutor in Sofia carries out the interview.

- I have no idea how it is technically arranged, but it is obviously possible and is obviously a practice.

- And what were the reasons they refused it for?

- Actually, the Prosecutor General said then that I was not an accused party. And by the way, I want to ask, after it's been trumpeted all over the media that I am accused, even the government issued yesterday a "solemn declaration" - "the accused party Vassilev whom a single word cannot be trusted", provided that the basic postulate of the law is that everyone is innocent until proven guilty, after all of them are so sure that I'm guilty, why not bring the case to court? How many months more they need to collect evidence? How many people must be crushed and promised everything, just to mention my name?

And do you know where their huge problem is? That 99%, with the exception of five wretches who signed the petition against me, 99% point the prosecution leading witness precisely as the man who has disposed of these things. Furthermore: through you I want to ask the prosecution office how long will they keep their eyes closed for the signals of abuse against that certain person? Of the bank assets.

- Are you talking about about Lazov?

- How long will the prosecution protect him? As particularly valuable or what?

- That, I have seen on other cases as well: they take a dependent person and turn him into a leading witness to cut a deal on the cases involving that person. Something for your Plovdiv fans - you gave them your assets. Isn't this a cheap populism? Is there anything real in what you have done for them?

- How come, there is no real thing? Is the base there? The base is there. The stadium development has been launched. Unfortunately, there was no way I could carry it through. But I received signals that as long as I am around they would hamper the team. Alone, I am not able to provide more funding. So, I decided that it is better to release them from my presence, but not because it is cheap populism. I can show you their text messages of the previous day, in which they insisted they would not let me go and wanted me to stay. I can show them to you as proof and I will do it now (author's note – he showed me a few text messages from the management body of *Botev* - Plovdiv fan club and from fans filled with gratitude and strong support).

And one more thing: I received a message saying that if I leave, they will provide funds to complete the stadium. To me, this is the greatest that can happen to them. So there is no cheap populism. I do not need to prove to them what I did for *Botev*. They have appreciated it.

- You said that we should be ashamed of the fact that a person like Peevski can control and manipulate the entire state power. OK, but when you were partners, weren't you embarrassed? You were a famous tandem.

- For a long time, I have deceived myself that he was artificially demonized for a number of reasons. I did not believe that he was what he is. But let's not simplify this dispute. This is not a dispute between me and Peevski. This elementary approach of some people, on the one hand, who later have strangely united with Delyan Peevski was applied to debase my place in society.

I've never been equal with Peevski. Apparently, he has presumptuously believed to be everything that he has never been and will not be. Peevski used the power of the state, supported by almost all political forces and with the consent of almost all political forces, to destroy me. But alongside my destruction they also destroyed the bank, and the business and the industry.

- Serbian President called you a "good investor" before his Bulgarian colleague. This was certainly not heard from Bulgarian politicians. What will be the consequences beyond the private scandal, according to you?

- Firstly, let me debunk a myth. Corporate Commercial Bank AD has not been my sole property. At least three global investors were represented in Corporate Commercial Bank AD. One of them is the sovereign fund of the state of Oman. The second one is the second largest bank in Russia through its investment division in London. And the third one is the insurance giant *Generali*.

So, let's cut the insinuations that this was Tzvetan Vassilev's bank, or Dogan's bank, or I don't know whose. This bank might be indeed the most international bank in Bulgaria and they interfered with its activity. These had the nerve. Do you know when more capital of Oman, the Gulf and Arab countries will flow into Bulgaria? Simply never. Do you know when *Generali* will go expanding? Simply never.

VTB have currently seized the moment, because it is indeed a very convenient moment served on a platter by irrational people in Bulgaria, including by the utterly unaware government, they are served with an opportunity on a platter to make a super-profit from this situation and they will make it at Bulgaria's expense and at the government's expense. And no one realizes it. Merely, in order to focus all their hatred against me, and perhaps their urge for profit.

- To what extent was "South Stream" one of the reasons for disruption? Is there any geopolitics in this story? I remember that in your first interview for bTV you mentioned Peevski's construction companies and the way he tries to overpower, and I realized that this was a painful subject to you.

- Why would that be a painful subject to me? I have never coveted anything. I was making sure the bank serviced companies in good condition which reduced, of course, the banking risk.

It is no secret that Peevski was commanding "South Stream" in Bulgaria. Absolutely, no secret at all. He will probably deny it, but let us recall who was in Bulgaria Energy Holding (BEH) then: his man Ilko Zhelyazkov as an agent of the National Security Agency was a member of the BEH board; Ivan Mirinski who might as well be his puppet and in the meantime he has become his partner - was the director, on the part of Bulgaria, of the

"South Stream Bulgaria" ... What exactly are we talking about? Take a look at who has just refinanced "Technoexportstroy" and "Industrial Construction Holding" (Industrialno Stroitelstvo Holding) and their loans which remained unsettled for a long time at the bank. Who refinanced them? First Investment Bank. The State Development Bank joined as well - it did the refinancing of *Vodstroy 98* Why? Because they strongly believed in these companies business? Hardly! Rather because Peevski did not want to leave traces behind. Yet, I wonder how they would explain, why they assigned the printing house to the leasing company financed by the bank.

So, nothing wrong with that. I have had no disputes about it. I had other controversies: that the way "South Stream" is done in Bulgaria is scandalous, that the way to handle the "South Stream" funds would lead to serious problems of Bulgaria in the European Union. These were my disagreements. Not that he had lied to me or who knows what else. And how did he buy those companies since they were his? He bought them with the bank loans, of course.

- What do you hold hope for so that you return to Bulgaria?

- I want guarantees of a fair trial. In the status quo in point, I have no guarantees - neither of my life nor a fair trial.

- Finally: Is there a document that proves the gap of 4 billion?

- This document is in the head of "Lazov & Angelov" laboratory; they have imported it into the heads of investigation services and prosecution office.