

Tzvetan Vassilev Gave an Exclusive Interview for Novinite.com

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Corporate Commercial Bank AD is the project of my life and I have always firmly stood beside it. The accusations against me have a strong political dimension, says the banker.

"Corporate Commercial Bank AD and I have been put in this situation as a result of a perfectly organized setup with the participation of certain media as well as employees of the Bulgarian prosecution service and employees of the Bulgarian National Bank who are used as tools by certain political circle". This is how the interview with the Chairman of the Supervisory Board of Corporate Commercial Bank AD begins.

It is for the first time and only before the news website that Vassilev provides the audience with a thorough commentary on everything that has been happening around him and the bank in the last few weeks.

The plan for the destruction of Corpbank AD has both a visible and invisible part according to Vassilev. The visible part involves the destruction of the bank and his reputation along with acquiring its lucrative assets. The invisible part of the scenario is the attempt to wipe out the debts that certain people owe, not without the help of people that are part of the political circles in the country. *"These people are not interested in providing the best solution for Corpbank's clients or Corpbank's shareholders because this would jeopardize the initial plan to destroy Corpbank commissioned by the political circles and would reveal what they have been accomplices in" says Vassilev.*

Tzvetan Vassilev comments on the Bulgarian National Bank's and the government's irresponsibility towards the bank's shareholders and clients, as well the deliberate attempt to prevent the shareholder of the bank from proposing a plan to recover the bank. *What will individual depositors do until September when they do not have access to their money? What will businesses do when their money is blocked? Corporate Commercial Bank services around 12% of the country's GDP" asks Vassilev.*

According to him, in the last month we have been witnesses to the circulation of false information by representatives of state institutions, including the Bulgarian National Bank and we have seen how they act as if the Bulgarian and European laws do not apply to them. Vassilev defines the Bulgarian National Bank as a queen of double and triple standards and as an institution, which has managed to

ignore core legal and economic principles.

Vassilev confidently commented on the bank's behavior during the period when the pressure was the highest: *"Corporate Commercial Bank AD survived the withdrawal of more than BGN 1.2 B — more than 20% of its assets—and it was still liquid. I would like to clarify that any other bank would collapse under such pressure in 2 to 3 days. Even on the 6th day of the run, Corpbank AD was making all payments which proves its outstanding liquidity and stability. Had the run continued at that pace, however, Corpbank AD would have become illiquid—that is why Corpbank AD's management requested special supervision"*.

The events that took place after the bank was put under supervision bewildered Vassilev. The Bulgarian National Bank did not provide liquid support to the bank and decided to close down all operations. Two days later, the BNB announced that it would nationalize both Corpbank AD and its daughter bank, although there were no mass withdrawals from the latter.

Vassilev describes Corpbank's thorough audit assigned by the Bulgarian National Bank as not serious. *"How can you complete an audit of even a small company in ten days? In this case, we are talking about the 4th largest bank of Bulgaria with more than BNG 7 B of assets" he asks.*

When Vassilev was asked if "the Bulgarian National Bank adapt a different approach to Corpbank AD because something is wrong with Corpbank" he answered by saying that: *"The allegations that something is wrong with Corpbank are deliberately spread in order to find artificial excuses for the forceful and illegal nationalization of Corpbank's assets. The results of the audit, as announced in the press release of the BNB on July 11th, are simply absurd. The BNB claimed that the files for more than BGN 3.5 B worth of loans were missing and thus it considered them to be bad loans. First of all, it is technically impossible for the files to be missing because all loans are registered at the National Credit Registry of Bulgaria. Also, Corporate Commercial Bank's balances are verified by an internationally acclaimed auditor—KPMG—and the previous audit by the BNB which took place in 2013 showed that Corpbank has around 2% of bad loans in its portfolio. Even if we hypothetically assume that documents are missing, it does not mean that the loans are not being repaid and they are not backed up by sufficient collateral"*.

Tzvetan Vassilev still does not understand why the BNB allowed Corpbank AD to acquire Credit Agricole Bulgaria EAD when the national bank stated that Credit Agricole Bulgaria EAD, which was acquired by Corpbank AD on June 12th, is a "good bank" and Corpbank AD is a "bad bank". "Why was the good Credit Agricole Bulgaria EAD at a loss for several years and the bad Corpbank at a profit since 2001" Vassilev asks.

When asked about the accusations that he had withdrawn more than BGN 200 million from his bank and thus draining it and contributing for its collapse, Vassilev stated that such an acquisition would shock anyone and added: "an official graphological expertise showed that my signature on the

documents, which the BNB found to prove that I had taken that money, was falsified".

In the interview, Vassilev also comments on the Prosecution's behavior, the theater that was made, the spreading of rumors, some aspects of the genesis of the banking crisis, as well as the version that the bank has been systematically drained since 2011.

Vassilev also commented on his conflict with Delyan Peevski by saying that the two of them have a different philosophy when it comes to doing business.

Vassilev defines the discussion about "South Stream" and his role as the person who is responsible for the Russian influence in Bulgaria as a misunderstanding. Once again, he clearly states that he supports all reasonable business projects and says that he has business partners from all over the world, including the US, Europe, and Asia.

He thinks that the delayed reaction of the Bulgarian government is a crime. Corpbank AD, its clients, and its employees have suffered irreparable damage. In addition to that, Bulgaria's image has been hurt and this would have its impact on the investment community. Who is going to compensate the clients for their losses and damages? , the banker asks.

According to Vassilev the actions by the state institutions have humiliated Corpbank AD's employees. *"Why do they have to feel "guilty" that they did an amazing job and were on the team of one of the best banks?" asks Vassilev and continues by adding: "Why did the state institutions destroy Corpbank AD's image and jeopardized the investments in it? Why did they put forward absurd, populist measures for a long time and now they are trying to get out of the embarrassment?"*

Vassilev concludes his interview by saying that he believes that Corpbank AD's recovery is possible but it would require some guarantees from the state. In addition to that, sooner or later, those who were liable for this scandal will face a judge they cannot influence. The majority shareholder also stated that he will fight till the end.

The complete interview with the Chairman of the Supervisory Board of Corporate Commercial Bank AD could be found at:

<http://www.novinite.com/articles/162119/Tzvetan+Vasilev%3A+Policy+on+CorpBank+%27Destroy+House+to+Build+Cabin%27>