

№	Question	Answer
1.	<p><b>Limitation of Liability for the Concessionaire and Sole Remedy</b>  As previously requested (on 25th July, 9th August, 20th August and 9th September) it is common in Limited Recourse financing projects for there to be a cap on the liability of the Concessionaire. This gives the Lenders certainty as to the extent of the liability of its borrower under a Project.  <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose the drafting would be as follows:</b>  <u><a href="#">37.7 Limitation of Liability</a></u></p> <p><u><a href="#">Notwithstanding any other provision of this Agreement, the maximum liability of the Concessionaire [to the Grantor] whether in contract, tort, at Law or otherwise howsoever, shall be BGN 100,000,000 (in words one hundred million Bulgarian Lev) (“Total Liability Amount”).</a></u></p> <p><u><a href="#">37.8 Sole and Exclusive Liquidated Damages</a></u></p> <p><u><a href="#">37.8.1 The liquidated damages set out in Articles 18.2 and 26.10.2 and the Performance Penalties pursuant to Appendix 6 shall be the sole and final legal remedy in the form of exclusive liquidated damages in relation to the failure to fulfil the investments in the investment proposal, the delay to the relevant Works and the failure to perform the Concession Operations to the Performance Standards (respectively).</a></u></p> <p><u><a href="#">37.8.2 The Parties agree that the liquidated damages and the Performance Penalties represent a genuine pre estimate of loss of the Grantor in relation to the circumstances which give rise to the application of such liquidated damages and/or Performance Standards.</a></u></p> <p><u><a href="#">37.8.3 The Grantor agrees that it shall not be entitled to seek compensation of actual losses suffered instead of the defined liquidated damages or in addition to them.</a></u></p> <p><u><a href="#">37.9 Mitigation by Grantor</a></u></p>	<p>We thank you for your proposal. Whereas we consider a maximum liability as concerns other key stakeholders to the Project, we deem this request and the proposed value of the cap to be excessive. We understand the limited recourse financing as concept limiting the liability of the sponsors but not as proposed of the Concessionaire. This would also not be in line with the provisions of the Concessions Act.</p>

Where the Grantor has a right of remedy pursuant to the Concession Agreement and/or at Law including any claims under the indemnity pursuant to Clause 37.1, any calls under the Works Guarantee, any calls under the Operations Guarantee, any claims for breach of contract before the courts of Bulgaria or under the arbitration provisions in accordance with Clause 56, a tortious claim or any other remedy as a matter of Law, then the relevant claim must be for actual direct Losses incurred by the Grantor and the Grantor shall use all necessary and reasonable endeavours to minimise and/or mitigate against such Losses. The provisions of this Clause [37.9] shall not apply to the application of liquidated damages pursuant to Clauses 18.2 and 26.10.2 or the Performance Penalties pursuant to Appendix 6.

(iv) Insert as a new Clause 40.1.19

“the liability of the Concessionaire to the Grantor exceeds the Total Liability Amount”

(v) Amend Clause 40.4.2 (a)

Add Clause 40.1.19 to the definition of Curable Event of Default in Clause 40.4.2 (a) – giving the Concessionaire the ability to increase the cap to avoid a termination of the Concession

<p>2.</p>	<p><b>Refund Sum on Termination for Extensive Force Majeure Event Article 41</b></p> <p>The calculation of the refund payable on a termination of the Concession Agreement for an Extensive Force Majeure Event remains a concern for us and our Lenders. We appreciate the Bulgarian law surrounding this point and the desire to articulate a proposition which effectively ensures that the Grantor is not unjustly enriched by the return to the Grantor of the Airport including all of the investments and the result of the participation of the Concessionaire in the Project (as was envisaged at the outset of the Project and as articulated in paragraph B of the Preamble to the Concession Agreement). Set out below is a proposal for the refund sum which better reflects the financial approach to the Project, the Bulgarian Law and International Best Practice. <b>Please confirm that our approach would be acceptable to the Grantor and to assist with your consideration, we propose the drafting would be as follows:</b></p> <p>Amend Article 41.3 as shown below.</p> <p>"If either Party terminates this Agreement as a result of an Extensive Force Majeure Event, the Grantor shall refund the "<b>Extensive Force Majeure Refund Sum</b>", <del>calculated as an amount equal to:</del> <u>being an amount to reflect the value of the investment and participation in the development of the Airport by the Concessionaire including the Concession Site and Concession Assets by the Concessionaire during the term of the Concession in consideration for the return of the Airport, Concession Site and Concession Assets to the Grantor on the termination of this Agreement pursuant to Article 5.4 calculated as an amount equal to:</u></p> <p>41.3.1 <del>the sum</del> <u>any</u> unamortised Upfront Concession Fee <u>as at the Termination Date</u>;</p> <p>41.3.2 <del>—and of</del> any unamortised actual Capital Expenditures <u>as at the Termination Date</u> <del>relating to the Concession Site and the Concession Assets</del>;</p>	<p>We will consider your proposal.</p>
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41.3.3 any amounts outstanding under the Financing Documents as at the Termination Date (without double counting with Articles 41.3.1 and Articles 41.3.2) including costs of early termination of interest rate hedging arrangements and other breakage costs payable by the Concessionaire to Lenders as a result of a termination of this Agreement

41.3.4 any amounts outstanding under the Shareholder Debt Documents as at the Termination Date (without double counting with Articles 41.3.1 and Articles 41.3.2);

41.3.5 all equity subscribed by the Shareholders in the Concessionaire as at the Termination Date (without double counting with Articles 41.3.1 and Articles 41.3.2 and with any amounts standing credit of the [equity subscription account/relevant project account])

41.3.6 any liabilities to third parties on the Termination Date, including breakage costs and claims of contractors, subcontractors and any other third parties (other than Senior Lenders), as well as any breakage amounts paid to employees, provided that in no event shall the Grantor be liable for an amount in excess of [\*\*\*] Euros under this Article 41.3.6, minus

~~41.3.2 any indemnities then paid to the Concessionaire in respect of the liabilities described in Clause 41.3.1 above, minus~~

41.3.7 any Insurance Proceeds paid to the Concessionaire which have not been applied towards reinstatement of Concession Assets and, subject to the provisions of the Direct Agreement, if any, all Insurance Proceeds and monies standing to the credit of the Special Purpose Insurance Account; minus

43.1.8 any amount due by the Concessionaire to the Grantor but unpaid as of the Termination Date (including any unpaid amount of the Annual Concession Fee until the Termination Date), subject to Clause 31.1.2 (Set-Off) provided that where and to the extent that there are amounts

outstanding under the Financing Agreements then the provisions of this Article 43.1.8 shall not apply to such amounts.

~~Where the termination results in a total loss of the Concession Site, the Concessionaire shall be entitled, instead of the amount set forth under Clauses 41.3.1 to 41.3.4 to receive a part of the insurance indemnity equal to the unrecovered investment expenditures in accordance with Article 152 (2) of the Concessions Act~~

<p>3.</p>	<p><b>Rights of Set off (Article 31.1.2 and Article 41.3.4)</b> In relation to Article 31.1.2, we believe the intention of this provision is that the Grantor's right of set off does not apply to the repayment of Debt to the Senior Lenders. This is from the exclusion relating to Termination Date Debt. However the concern is that this definition is not used in the calculation of the refund sum following a termination for Extended Force Majeure. <b>Please confirm that the exclusion from the right of set off also applies if debt is outstanding for the purposes of the calculation of the refund sum at Article 41.3 and particularly Article 41.3.4</b> (whilst Article 41.3.4 is subject to Article 31.1.2, because Termination Date Debt is not used in Article 41.3, it is arguable that set off applies in any event). To assist with the consideration of this issue, please see our proposed amendment to Article 42.1.8 to deal with the issue.</p>	<p>Based on the flexible wording of clause 31.1.2, we do not see why a different approach would apply with respect to termination for Extended Force Majeure.</p>
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<p>4.</p>	<p><b>Compensation on Termination for Economic Rebalance (Article 34.6)</b>  In relation to the Compensation on Termination for Economic Rebalance we note the Grantor's response that some of the events are more akin to Force Majeure events and therefore those should attract Force Majeure type compensation. We and our Lenders do not agree and respectfully request that the consequence of the Grantor electing to terminate rather than compensate the Concessionaire for events which the Grantor has accepted the risk of under the Concession Agreement should all be a Grantor Default Compensation. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose the drafting would be as follows:</b>  <b>34.6 Payment on termination</b>  If the Grantor terminates this Agreement in accordance with Clause 34.4 (<i>Rebalance payment</i>), the Grantor shall pay to the Concessionaire  34.6.2 <del>if the Compensation Event results from one of the events specified in Clause 34.1.4, Clause 34.1.5 or Clause 34.1.6 (Compensation Events), compensation on termination of this Agreement under the terms and conditions of Clause 41.3 (Refund upon Termination for Extensive Force Majeure);</del>  34.6.2 <del>for all other Compensation Events;</del> compensation on termination of this Agreement under the terms and conditions of Clause 40.6.2 (<i>Compensation upon Termination for Event of Default</i>) (Grantor Default Compensation Sum).</p>	<p>We will review and assess your proposal.</p>
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<p>5.</p>	<p><b>Economic Rebalance (Article 34)</b>  We would like to understand from the Grantor how the process would work from the occurrence of the Compensation Event through to either a rebalance or a termination. We believe that the process is very onerous on the Concessionaire and, as we have stated before, gives concern to the Lenders of the level of cashflow exposure for the Concessionaire for events which are not within their control and are risks which the Grantor has accepted under this Agreement. Please confirm – using a Grantor Variation as an example whereby as a result of the Variation, the Grantor has requested a new system be installed which involves capex and the employment of new staff (opex)–:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> is it the proposition that if the Variation is under €1m – then the Concessionaire have to do it and is not entitled to any rebalance. The remainder of the drafting creates a number of other questions: <ul style="list-style-type: none"> <li>o What happens if there is another Variation which is also under €1 m is the threshold measured each time or if the aggregate is over €1 million can the Concessionaire now claim a rebalance?</li> <li>o What if there isn't another variation but there is a Qualifying Change in Law after the first variation which would bring the aggregate of the Compensation Events over €1 million is the Concessionaire now entitled to make a claim for a rebalance or because it is a Qualifying Change in Law then it needs to be €2 million.</li> <li>o What if the second variation or qualifying change in law happens 25 months after the first Compensation Event is the stopped from claiming a rebalance?</li> </ul> </li> <li><input type="checkbox"/> are you proposing that opex is not recoverable at all? Therefore the costs of the new staff for the variation (or for example a Discriminatory Change in Law which is a Qualifying Change in Law) is totally to the account of the Concessionaire?</li> </ul> <p>Then if the Grantor decides to terminate rather than compensate the Concessionaire, please confirm that our interpretation of the Concession Agreement is correct in that:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> The Concessionaire will have to meet the upfront costs of carrying out of the Compensation Event ie if a Qualifying Change</li> </ul>	<p>We will review and assess your request.</p>
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in Law it will need to comply with the law so will need to make the investment to respond to that new or changed law. It will need to meet the thresholds before claiming a rebalance so may have to wait 2 years before being compensated?

If the Grantor accepts to Rebalance then there is a negotiation for a further 3 months on the rebalance (amount or method) and if there is a disagreement then to amicable settlement for 2 months, Ad Hoc DRP for 5 months and then on to Arbitration.

Having agreed the Rebalance (which may not be agreed until after an Arbitration ie 24 months + 3 months + 2 months + 5 months + the period of the Arbitration) the Grantor is given another 6 months to effect the Rebalance but at the end of the 6 months it can decide it is "excessively onerous" and elect to terminate the Concession Agreement. Meanwhile the Concessionaire has borne the costs and expense of the Compensation Event (ie the Grantor Variation or the Qualifying Change in Law).

Then if the Concession Agreement is terminated, there needs to be a discussion if the costs and expenses of the Concessionaire are "utilised for the performance of the Concession Site" – for example are staff costs associated for the variation considered within this restriction on Termination Date Debt/Termination Date Equity – they will have been paid as a result of the Compensation Event and could have been paid for a minimum of 30 months but could be considerably longer if there is a dispute.

All these questions demonstrate an unnecessary complication in a system which is excessively onerous on the Concessionaire and can be much simpler. It is common for there to be a threshold before claims are made for these types of events – threshold operating to oblige the Concessionaire to accept the initial cashflow risk but then make the claim for the whole amount once the threshold has been reached. It is also common for the Concessionaire to accept some form of risk in relation to the recovery of capex arising from a Qualifying Change of Law.

In summary:

We would be willing to accept a threshold before claims can be made for the full amount (€ Y) and a obligation to meet the

first €X [**million**] of capital expenditure for General Changes in Law (ie limb (b) of the definition of Qualifying Change in Law)

We would be willing to accept the right of the Grantor to terminate the Concession Agreement (which is very unusual in PPP Projects) provided that there is clarity over the recovery of the costs, expenses, loss of revenue, capex, opex, as a result of the Compensation Event

We would not be willing to have a time period threshold before a Rebalance could be claimed.

Together our "**Compensation Event Proposal**"

In addition to confirming that our interpretation regarding the provisions are correct please confirm that you will accept our Compensation Event Proposal.

**Please confirm that the Compensation Event Proposal is accepted**

<b>6.</b>	<b>Compensation on termination for a change to the Guidance (Article 34.4)</b> In relation to Article 34.4, please confirm that if the Concessionaire exercises its rights to terminate the Concession Agreement that the compensation payable will be on a Grantor Default basis.	This is hereby confirmed.
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<p>7.</p>	<p><b>Relief Events (Article 35)</b></p> <p>In relation to Relief Events, we had previously understood that you had considered our proposals favourably however the new Concession Agreement did not include any further Relief Events. It is common for there to be relief granted where there is damage to the Concession Site and we are carrying out reinstatement in accordance with the Reinstatement Plan. In addition, there may be a strike for which we have no control over which may affect the performance of our obligations and is common for relief to be granted. Also given when the site assessments are carried out it would be appropriate for the relief to be granted in the event of a discovery of adverse ground conditions. Finally, there is a potential for the traffic at the Airport to be less than expected and/or to fall below a set level and this could have an impact upon the provision of the Works and/or other obligations under the Concession Agreement for which relief should be given to the Concessionaire to avoid them from being in breach of the Concession Agreement.</p> <p><b>Please confirm that this proposition is accepted and to assist with your consideration, we propose the drafting would be as follows:</b></p> <p><u><a href="#">35.1.11 any accidental loss or damage to the Concession Site or any roads servicing it;</a></u></p> <p><u><a href="#">35.1.12 any official or unofficial strike, lockout, go-slow or other dispute generally affecting the construction industry and/or the operation of airports (or a significant sector of it) unless such strike arises as a result of any wilful default or wilful act of the Concessionaire;</a></u></p> <p><u><a href="#">35.1.13 any discovery of environmental, topographical, geotechnical, geological, hydrogeological and hydrological conditions at the Concession Site which were not identified in the Site Assessment conducted by the Grantor and the Concessionaire prior to the Concession Commencement Date in accordance with Article 8.1.2; and</a></u></p> <p><u><a href="#">35.1.14 delays as a result of an event or events which cause or causes the number of Passengers to be lower than the level set out in the Business Plan by ten percent (10%) or more</a></u></p>	<p>We will review and assess your request.</p>
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<p><b>8.</b></p>	<p><b>Termination for Other Reasons (Article 42)</b></p> <p>There are a number of instances under the Concession Agreement where the Grantor is entitled to terminate the Concession Agreement in accordance with applicable Laws (including the Concessions Act), for example, Articles 42.1 and 42.3 of the Concession Agreement. In the context of a 35-year term, where applicable Laws may change and further rights of termination may become available to the Grantor as a matter of applicable Law, it is important that any such further rights of termination are set out expressly in the Concession Agreement. In that regard, <b>please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b></p> <p><b>42.3 Other reasons</b></p> <p>In accordance with the Laws, the Grantor shall be entitled to terminate this Agreement for the following reasons:</p> <p>42.3.1 the Court of the European Union has determined in proceedings under Art. 260 of the Treaty on the Functioning of the European Union that the Concession has been awarded in violation of the Laws;</p> <p>42.3.2 where this Agreement has been declared terminated from the date of the court decision; <del>or</del></p> <p>42.3.3 where there is a complete loss of the Concession Site or Concession Assets (to the extent not covered under Extensive Force Majeure); <del>or</del></p> <p><u>42.3.4 where, in accordance with the Laws, the Grantor is entitled to terminate this Agreement on any other grounds which are not expressly set out in this Agreement.</u></p>	<p>We accept the additional rights you proposed of termination of the Concession Agreement on other grounds; you shall though take into account that the Grantor cannot commit that they are exhaustive of all possible options, considering, inter alia, the arguments you put forward on the long-term nature of the contract.</p>
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<p>9. As previously proposed to the Grantor, we do not agree that the termination events for "other reasons" set out in Article 42.3 should mean that there is a payment of Concessionaire Event Compensation Sum or indeed the vagueness of the provisions means a dispute between the parties at the time. All events, including the additional event set out above should be result in a Grantor Default Compensation Sum. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b></p> <p><b>42.4 Compensation for other reasons</b></p> <p>In the event of a termination for Other Reasons in accordance with Clause 42.3 (<i>Other reasons</i>), the Concessionaire shall be entitled to receive the Grantor Default Compensation Sum <del>(to the extent that it is established that the reasons for termination is based on a breach of the Grantor's obligations be it under this Agreement or a violation of Laws applicable to the Grantor), in all other circumstances the Concessionaire Event Compensation Sum.</del></p>	<p>We understand your approach but the present draft agreement is the conclusion reached from the various considerations.</p>
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<p><b>10.</b></p>	<p>Article 3.2.13 requires the Concessionaire to provide the Required Level of Service throughout the Concession Period. However, the Required Level of Service relates to certain Performance Standards and Article 23.2.2(a) requires the Concessionaire to provide the Airport Services in accordance with Appendix 6 (KPIs) from the Performance Measurement Commencement Date. Therefore the requirement in relation to the Required Level of Service is also subject to the grace period of the Performance Measurement Commencement Date. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b></p> <p>"3.2.13 <a href="#">subject to Article 23.2.2(a)</a> provide the Required Level of Service throughout the Concession Period and ensure the Standard of Performance specified in Clause 17.2 (<i>Standard of Performance</i>);"</p> <p>and:</p> <p><b>"25.3 Capacity Assessment</b></p> <p style="padding-left: 40px;">25.3.1 The Concessionaire shall ensure that there is sufficient capacity at the Airport to accommodate with the Required Level of Service air traffic demand at all times (<a href="#">subject to Article 23.2.2(a)</a>), and shall undertake New or Expansion Works so as to ensure that the Airport Services are provided in accordance with the Minimum Technical Requirements (as set out in Appendix 18), the Performance Standards and the capacity requirements each as set out in <a href="#">Appendix 6 (Key Performance Indicators (KPI) - Performance Measurement)</a>."</p> <p>There are a number of other provisions in the Concession Agreement requiring the Concessionaire to conform, comply with, maintain or uphold the Required Level of Service throughout the Concession Period. We request that these references are clarified such that the obligation to conform, comply, maintain or uphold (as the case may be) is subject to the grace period set out in Article 23.2.2(a), as follows:</p>	<p>We believe that the proposed texts in the draft Concession Agreement provide sufficient clarity and will not be amended.</p>
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"1.2.22 references to the Concessionaire meeting, achieving, maintaining or upholding the Required Level of Service shall be construed subject to the requirement to provide or procure the provision of the Airport Services at the Airport in accordance with the Performance Measurement as provided for in Appendix 6 (Key Performance Indicators (KPI) - Performance Measurement), from the Performance Measurement Commencement Date."

11.	<p>Thank you for your response to question 25 issued on 12 September 2018, relating to the introduction of a longstop date for the Works. We agree it's not possible to introduce a single longstop date for the entirety of the Works. We request however, that consideration is given to the introduction of a longstop date in respect of each Scheduled Completion Date. The longstop date would be a date which would be calculated as the last day of the period after the Scheduled Completion Date which is equal to [**]% of the period of the relevant Works package and this would then cascade under the Financing Documents and the Construction Sub-Contracts. As it is common market practice to include a Scheduled Completion Date and a Longstop Date in respect of Works packages we expect this requirement will be sought by lenders from a bankability perspective. <b>Please confirm that this proposition is accepted. Please confirm that a failure to complete a package of Works by a relevant Longstop Date will be the Concessionaire Event of Default trigger under Article 40.1.3 (rather than "Scheduled Completion Date) and consequential amendments will be made to Article 26.10.2.</b></p>	We will review and assess your request.
12.	<p>Please explain why new Article 16.14 has been added. The amount should not be forfeited where there is a failure to provide it but should be accounted for under the Agreement. Please also confirm how this new provision correlates with 16.4.</p>	We will review and assess your request.
13.	<p>In relation to Article 16, we note that the Works and Mandatory Capital Expenditure is a guarantee for the period of the relevant Works and we appreciate the movement in relation to the obligation to top up the guarantee following a call. We would request that the Operations Guarantee is treated the same ie it is an annual guarantee with no obligation to top up during the relevant year. <b>Please confirm that the same treatment across the guarantees can be applied.</b></p>	The text will not be amended.
14.	<p><b>Please explain why the Grantor has weakened its obligation in Article 3.7.9</b> in relation procuring the Government Users to move premises - previously you committed to procure this and now you only have to "use reasonable endeavours".</p>	This is due to the separation of powers in Bulgaria.

15.	<p><b>Please explain why has Article 34.1.7 of the Concession Agreement relating to deviation of the geological or hydrological conditions been deleted in the new Concession Agreement.</b> This should be retained (and is not covered by the Existing Contamination provisions at the new Article 34.1.4).</p>	<p>There has been a discrepancy between the Bulgarian and the English version, which is fixed in the current draft agreement and is the conclusion reached from the various considerations.</p>
16.	<p>In relation to Article 7.2.4, due to the different packages of work the aggregate of 2 months delay on all the works is not common practice and a relief event should be granted as soon as the discovery has been made. The Concessionaire and its works subcontractor will need relief from termination. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b>  Any <del>aggregate</del> delay <del>of more than two (2) months</del> to the Works due to works related to Cultural Valuables discovered during the Works shall constitute a Relief Event and Clause 35 (<i>Relief Events</i>) shall apply.</p>	<p>We will review and assess this request.</p>
17.	<p>In relation to Article 25.3.1 the obligation in relation to air traffic demand will meet the Required Level of Service should only apply from the Performance Measurement Date and not the Concession Commencement Date. <b>Please confirm that this proposition is accepted by the Grantor.</b></p>	<p>According to Art. 25.3.2 An Initial Capacity Assessment shall be prepared as soon as possible after the Effective Date and in any case prior to the date falling five (5) months after the Concession Commencement Date.</p>
18.	<p>The provisions of Article 38.1 should be reciprocal in Article 37.2 in that the Concessionaire should not be responsible to indemnify the Grantor for acts or omissions of the Government Related Party or the Current Operator. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows::</b>  <u><a href="#">37.2.6 any acts or omissions of the Grantor, the Current Operator or a Government Related Party</a></u></p>	<p>We deem that the risk allocation in the draft Concession Agreement is fair.</p>

<p><b>19.</b></p>	<p>In relation to Article 40.2.2, any expropriation or seizure by the Grantor should be a Grantor Default – materiality by reference to Aggregate Concession Revenues is not appropriate. <b>Please confirm that this proposition is accepted and this will be reflected in the Concession Agreement as follows:</b>  "any curfew, restriction, expropriation, compulsory acquisition, seizure of works, requisition, confiscation or nationalization by any Competent Authority, <del>which affects the Concession Operations in such a way that the Aggregate Concession Revenue of the previous Concession Year is reduced by more than twenty percent (20%), relative to the previous Concession Year.</del>"</p>	<p>The text will not be amended.</p>
<p><b>20.</b></p>	<p>Please confirm that if as part of the Concession Operations, we can request that the Grantor grants a lease over the site to a third party and that the Grantor agrees that this lease will be renewed on a rolling 10 year basis subject to compliance until the end of the Concession Period. Then on the expiry of the Concession Period, the Grantor will take over the lease and terminate it if it wishes. <b>Please confirm that this process will be acceptable to the Grantor.</b></p>	<p>The current draft agreement is the conclusion reached from the various considerations.</p>

<p>21.</p>	<p>In respect of Articles 14.1.2, 14.1.3 and 14.1.5, <b>please confirm that an amendment to a Financing Agreement or a new financing agreement does not require consent where such amendment or new agreement is introduced to document an Exempt Refinancing.</b> An Exempt Refinancing does not require the consent of the Grantor and the process for documenting the same should not require consent. We can confirm that the remainder of the provisions of Article 14.1.5 shall apply – namely an obligation to provide to the Grantor a copy of each amendment or new financing agreement. <b>To assist with your consideration, we propose wording would be as follows:</b></p> <p>Article 14.1.2</p> <p>The financing agreements that will be executed and implemented as part of the first Financial Close shall be designated by the Grantor as the Financing Agreements on or before the Concession Commencement Date. The Grantor may approve and designate in writing further financial agreements as Financing Agreements following a request of the Concessionaire to be issued no later than thirty (30) days after submission by the Concessionaire of the executed financing agreements. Every financial agreement that has not been so approved in writing by the Grantor shall not be deemed to be a Financing Agreement for the purposes of this Agreement. Notwithstanding the above; <u>(i) the Grantor shall not without reasonable cause refuse or delay its consent for the approval and designation as a Financing Agreement of any agreement documenting any Refinancing (excluding an Exempt Refinancing) of the Financing Agreements, which does not result in the position of the Grantor vis-a-vis any Party and/or the Lenders being more onerous or the raising of debt financing with the purpose of funding Future Works and /or working capital needs of the normal business cycle of the Concessionaire; and (ii) the Grantor's consent is not required for any new agreement documenting any Exempt Refinancing.</u> If a request is made by the Concessionaire and prior to the granting of the above approval by the Grantor, the Parties shall consult in accordance with Clause 15 (<i>Refinancing</i>) in order to determine the benefit resulting from the Refinancing.</p> <p>Article 14.1.3</p>	<p>We will assess your proposal.</p>
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No amendment to a Financing Agreement can be effected without the consent in writing of the Grantor such consent not to be unreasonably withheld or delayed. In any case, such consent shall be deemed as granted by the Grantor following the lapse of thirty (30) days from receipt of the relevant request submitted by the Concessionaire to the Grantor. Notwithstanding the above, the consent of the Grantor shall not be required: [\(i\) for any amendment to a Financing Agreement documenting any Exempt Refinancing; or \(ii\)](#) in connection with any amendment of the Financing Agreements which does not result in the position of the Grantor vis-à-vis any Party and/or the Lenders being more onerous. The consent of the Grantor shall not be required for the correction of obvious mistakes, but the relevant corrections must be promptly and in advance notified to the Grantor

Article 14.1.5

If an amendment is made to any Financing Agreement or a new financing agreement is proposed which does not increase the Grantor's obligations or liabilities or prejudice the rights under this Agreement and/or the Direct Agreement or is otherwise permitted pursuant to [Article 14.1.2](#) or Clause 14.1.3 (*Financing of the Concession with debt*) above and therefore does not require the prior written consent of the Grantor, then the Concessionaire shall deliver to the Grantor a confirmed copy of each such amended documents or new financing agreement within thirty (30) days after the date of its execution certified as a true copy by an office of the Concessionaire.

22.	<p>Any use by BAF or such other country army forces pursuant to Article 3.10.3 which causes interference to the Concessionaire in its performance of its obligations of under the Concession Agreement should be a Relief Event.</p> <p><b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b></p> <p>"The Concessionaire shall permit the BAF or such other country army forces as authorized pursuant to the Laws or of such other country as the State so authorizes to land, take off and park their aircrafts at the Airport in areas so designated, free of charge. Such operations shall not interfere with commercial aircraft operations except in the case of Emergency, state of emergency or state of war <u>provided that any such interference by BAF or such other country army forces shall constitute a Relief Event.</u>"</p>	The text will not be amended.
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<p>23.</p>	<p><b>Bilateral Agreements (Article 17.8.1)</b>  Thank you for your response to question 27 issued on 14 September 2018, relating to Article 17.8.1. We agree it is the bidder's responsibility to review applicable Laws to ascertain those bilateral agreements/arrangements between the Grantor and other States to which the provision of Airport Services is subject to. However, to the extent the Concessionaire is unable to access such agreements because they are not publically available or are not provided to the Concessionaire, then the Concessionaire will be relieved from performance in these circumstances.  <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b>  "any multilateral or bilateral agreement, treaty, or other agreement or arrangement to which the State is a party granting reciprocal "most favoured nation" or other similar rights to the nationals (including Airlines) of another country, but only to the extent that the action is compatible with regulations of ICAO, IATA, World Trade Organization, EU, NATO or other international or multilateral bodies to which the State is a member <u>and only to the extent that such agreements are in the public domain or have been made available in full form and content to the Concessionaire</u>; or"</p>	<p>The current draft agreement is the conclusion reached from the balanced considerations.</p>
<p>24.</p>	<p>Thank you for your response to question 13 issued on 12 September 2018, relating to the definition of Residual Life. Articles 18.9 and 45.6.2 reference the Residual Life for assets/facilities set out in Appendix 18. However, the term "Residual Life" is not used in Appendix 18 at all. We note that the term "Design Life" is referenced in Appendix 18, however this term is not defined in the Concession Agreement. <b>Can you please clarify (i) if there are intended to be references to "Residual Life" in Appendix 18 and if so, whether such references will be incorporated</b></p>	<p>We will review and assess your request.</p>

	<b>in the Concession Agreement or (ii) whether the references to "Design Life" in Appendix 18 should instead be references to the defined term "Residual Life"?</b>	
25.	In relation to Article 4.2.1, given the status of the Guidance on this Project, we believe the warranty should be updated to reflect that not only has the Grantor the power, authority and the right to enter into the Agreement but also it has the power, authority and right in relation to the terms that are in the Concession Agreement. <b>Please confirm that this proposition is accepted and to assist with your consideration, we propose wording would be as follows:</b> "the Grantor has the full legal power, authority and right to enter into this Agreement <a href="#">on the terms set out in this Agreement</a> and to assume and perform its rights and obligations set out in this Agreement"	The text will not be amended.
26.	As previously proposed (9th September), in relation to Article 29.5.1, it is not practical (or common practice) to pass "all" of the obligations of the Concessionaire to the subcontractor. For example, the Concessionaire may retain the Design obligations. It is however accepted that the Concessionaire is liable for all of the obligations under the Concession Agreement notwithstanding any subcontracting. <b>Please confirm that this proposition is accepted.</b>	This is the understanding.
27.	In relation to the Definition of Financing Agreements, The definition refers to those agreements under which financing is/will be made available to the Concessionaire, such agreements to be approved in writing by the Grantor. While it is not unusual for the entry into Financing Agreements to be subject to Grantor approval, it would be helpful to understand on what basis the Grantor would/would not give its approval (especially as entry into the Financing Agreements is a CP).	The assessment will be done the same way as you assess the draft concession agreement – market standard financings need to be put in place.
28.	In Article 2.8.3, the Grantor should procure that the Current Operator uses their reasonable endeavours to obtain all the consents of the Third Parties for the Transferring Contracts. <b>Please confirm that this suggestion is acceptable to the Grantor.</b>	We deem that the current drafting covers exactly what you refer to.
29.	Please confirm that the Concessionaire indemnity which applies in Article 8.1.1 relates to Existing Contamination which exists prior to the Expiry	Confirmed.

	Date but excluding contamination which exists prior to the Concession Commencement Date.	
30.	In relation to Article 21, it is possible that the Concessionaire will experience losses and expenses as a result of an improper intervention by the Grantor and this should be a Compensation Event as well as a Relief Event. <b>Please confirm that this is the intention.</b>	We believe that the draft Concession Agreement is sufficiently comprehensive, and the texts will not be amended.
31.	In relation to Article 3.2.8, <b>please clarify that the Concessionaire's obligation to cooperate with the Current Operator is limited to the Transition Period and only to the extent required by the Concession Agreement.</b> In addition, <b>please clarify the role of the Current Operator during the Concession Period</b> for example what interference could the Current Operator cause after the Concession Commencement Date in the context of Article 21.1?.	The relationship between the Concessionaire and the Current Operator is up to the Concession Commencement Date.

<p>32.</p>	<p><b>"Unreasonably prevented" (Articles 5.3, 6.2 and 6.4)</b>  Thank you for your response to question 22 issued on 12 September 2018, relating to the basis for the Concessionaire's entitlement to a Relief Event and/or Compensation Event under Articles 5.3, 6.2 and 6.4 of the Concession Agreement. We would like to understand what would happen from a practical perspective if for reasons outside the Concessionaire's control, the Grantor is prevented from handing over the Concession Site and this is deemed "reasonable" – under Article 5.3, the Concessionaire is not entitled to a Relief Event (under Article 35.1.8) or a Compensation Event (under Article 34.1.4). This is not very practical as the Concessionaire cannot perform its obligations and should not be in breach as a result of a failure of the Grantor to comply with its obligations. These provisions should not be limited to "unreasonable refusal" of the Grantor to comply with its obligations. <b>Please confirm the concept of "unreasonable" will be deleted in the Concession Agreement.</b></p>	<p>The present agreement is the conclusion reached from the balanced considerations.</p>
<p>33.</p>	<p><b>Article 22.3</b>  In respect of Article 22.3, <b>please confirm why</b> the phrase "<i>without prejudice to the provisions of Clause 34 (Compensation Events - Economic Rebalance)</i>" has been deleted in the new Concession Agreement issued on 6th October 2018. We would expect that that any</p>	<p>Clause 34 (<i>Compensation Events - Economic Rebalance</i>) will apply in all cases set out therein, regardless of any reference or lack of reference to it throughout the Agreement.</p>

	such new rules, regulations and practices of Competent Authorities will constitute a Qualifying Change in Law and Article 34 will apply	
34.	<p><b>Formal and Informal Monitoring (Article 23.2.7)</b>  Thank you for your response to question 34 issued on 14 September 2018, relating to commencement of formal monitoring in respect of the Safety and Related Performance Standards. Article 23.2.7 of the Concession Agreement requires the Concessionaire to provide to the Grantor particulars of any aspects of its performance which fail to meet the requirements of the Concession Agreement. <b>Can you please confirm</b> that if formal monitoring (in respect of the Safety and Related Performance Standards) or if informal monitoring (in respect of the Operational Performance Standards) records a deviation from the Scoring/Target in the period prior to the Performance Measurement Commencement Date, <b>the Concessionaire will not be in breach of its obligations under the Concession Agreement.</b></p>	This is hereby confirmed.
35.	Thank you for your response to question 35 issued on 14 September 2018, relating to the meaning of "external circumstances" in Appendix 6 (KPIs), (B. Specific Performance Standards), paras 1.2.1 / 1.2.2. <b>Can you please confirm</b> that the circumstances identified in your response (i.e. events such as natural disasters, terrorism, air traffic control, industrial disputes etc.) <b>will be incorporated in the relevant provisions of Appendix 6 of the Concession Agreement?</b>	To the extent that it serves clarification purposes, this may be incorporated.
36.	In respect of Appendix 6 (KPIs), B. Specific Performance Standards, table 1, <b>please clarify</b> if there is an informal monitoring period for Safety and	Based on the wording Appendix 6 (KPIs), Section B. Specific Performance Standards, Table 1, line 1, with regard to safety

	Related Performance Standards or does formal monitoring commence on the Concession Commencement Date?	related issues, formal monitoring starts on the Concession Commencement Date, as safety needs to be maintained from the start of the Concession.
37.	In relation to Appendix 6 (KPIs), (B. Specific Performance Standards), para 1.2.1 / 1.2.2, <b>please clarify what would be captured by "external circumstances"</b> . Perhaps by reference to acts or omissions outside the Concessionaire's control?	This would be the meaning.
38.	<b>Please clarify if the security personnel management plan referred to in Article 8.3.4 forms part of the Environmental and Social Management System?</b>	Yes, the security personnel management plan referred to in Clause 8.3.4 of the draft Concession Agreement forms part of the Environmental and Social Management System ("ESMS") as being regulated by the entire Clause 8.3.
39.	The definition of "Maintenance and Renewal Plan" states that such plan shall be compiled in accordance with the Business Plan submitted with the Offer, Clause 18.1 and the Minimum Technical Requirements. However, Clause 18.1 provides that the Maintenance and Renewal Plan should be prepared in accordance with the Conceptual Development Plan submitted with the Offer. <b>Please clarify if the Maintenance and Renewal Plan is to be prepared in accordance with the Business Plan submitted with the Offer or the Conceptual Development Plan submitted with the Offer or both the Business Plan and Conceptual Development Plan submitted with the Offer.</b>	Both are to be submitted with the Offer, to the extent there is certain unclarity of drafting we will assess the need of amendment.
40.	There is a specific re-submission/approval procedure set out in the Concession Agreement for the Initial Master Plan / Updated Master Plan and draft Transition Plan to the extent such plans are not approved by the Grantor on first submission. The majority of plans to be submitted by the Concessionaire are subject to the Grantor's approval, however, a specific (or even generic) re-submission procedure is not set out in the Concession Agreement for plans other than the Initial Master Plan / Updated Master Plan and draft Transition Plan. <b>Please confirm the approval process for the rest of the plans which require approval from the Grantor.</b>	We will review and assess your request.

41.	Under Article 37.2.2, the Concessionaire is not responsible to indemnify the Grantor under Article 37.1 if the Grantor is in <i>material</i> breach of its obligations under the Concession Agreement. <b>Please confirm if it is intended that the reverse of that statement is the case ie that the Concessionaire will be responsible for indemnifying the Grantor under Article 37.1 if the Grantor is in a non material breach of its obligations under the Concession Agreement.</b> We understand that as a matter of Bulgarian law, a party cannot take the benefit of its breaches and therefore the Concessionaire should not be obliged to indemnify the Grantor if it is in breach (whether material or not).	The text will not be amended.
42.	Please confirm that the conditions and process in Article 2.7.1 are still applicable to all third party contracts notwithstanding the provisions of Article 2.7.2 ie third party contracts under EUR1million and third party contracts over EUR 1 million.	We do not see the provisions as conflicting but to be more precise we will review.
43.	Please explain the rationale for including the new provision at Article 14.1.4.	Please see our responses to previous questions on the same clause.
44.	In relation to Article 3.8, <b>please confirm</b> the addition in the New Concession Agreement of the phrase "irrespective of whether an Airport Contract is a Transferring Contract or not" is intended to capture new such Airport Contracts and is not intended to retrospectively apply to contracts which have been transferred to the Concessionaire.	This was inserted for clarification purposes as certain bidders claimed that the previous wording was unclear. The aim is to provide a clause regulating the Airport Contracts but not to retrospectively provide for a breach of the Transferring Contract.
45.	In relation to Article 5.5.2 (b), <b>please confirm</b> that the Concessionaire will only be required to respect the restrictions of the Government Users to the extent that they can impose those restrictions in accordance with their Statutory Functions.	The Government Users need to comply with the Laws so this will be the standard for their actions.
46.	The EU Concessions Directive (Directive 2014/23/EC) does not require member states to introduce joint liability for any third party providing financial resources to a concessionaire. Art. 38(2) of the Directive states: "With regard to financial standing, the contracting authority or the contracting entity <b>may</b> require that the economic operator and those entities are jointly liable for the execution of the contract." It is clear from the text of the Directive that it permits the possibility (without making this mandatory) for contracting authorities to require such joint liability. In	We understand this request emanating from the various bidders. Currently, it is under consideration whether there is a need of undertaking any corrective measures.

addition, the Directive allows discretion to contracting authorities whether to require or not such joint liability depending on the specific circumstances of a specific concession. Therefore Art. 63(3) of the Concessions Act, which imposes mandatorily such joint liability without discretion of the concession grantor, does not reflect properly the Concessions Directive and is not in the best interest of Bulgaria as a whole. In this specific concession procedure the Grantor does not need such a joint liability because it runs no risk that such a joint liability must cover – the payment of the Upfront Concession Fee is a CP to the Concession Agreement becoming effective (i.e. if the Upfront Concession Fee is not paid the concession will simply not become effective). The payment of the annual concession fees can be secured by a bank guarantee revolving annually and hence does not need a joint liability of a third party to secure it. In addition, the proper performance of the Concession Agreement by the Concessionaire will be secured by various bank or corporate guarantees (Operating Guarantee, Works Performance Guarantee, Undertaking from the Shareholders to provide the minimum capital/equity to the Concessionaire, etc.). Finally, the Grantor can terminate the Concession Agreement if the Concessionaire is in default in the payment of any obligation to the Grantor. Therefore, the Grantor does not need a third party to be jointly liable with the Concessionaire under the Concessions Agreement as it is protected otherwise sufficiently. Such a joint third party liability is not market standard. Therefore and given that the joint liability is currently mandatorily provided for by Art. 63(3) of the Concessions Act, we suggest to the tender commission to consider amending the eligibility criteria with respect to the financial standing by deleting the requirements in Schedule 3 to the Tender Documentation (Part 1, para. 4. Documents evidencing Financial Capabilities) for net worth (€200 million) and prior experience in financing similar projects of a value in excess of €400 million, as these do not actually guarantee that a bidder in this tender will have sufficient cash or be able to finance the payment of the Upfront Concession Fee and limit the financial standing criteria solely to: (a) a minimum required equity of the bidder of BGN 200 million or (b) an undertaking to the bidder from its direct or indirect shareholders to provide the bidder with such required minimum of BGN

	200 million as a CP to be fulfilled by the Concession Commencement Date.	
47.	In light of the preceding proposal, please consider adding in the Concession Agreement an additional condition precedent being an amendment of Art. 63(3) of the Concessions Act to align it with the Concessions Directive and the interpretation suggested by the Guideline, i.e. that a grantor may (without being obliged to) require that a third party providing financial resources to a concessionaire is jointly liable with the concessionaire up to an amount that corresponds to the financial resources provided by the third party, as well as that (in accordance with the interpretation suggested by the Guideline), that such joint liability (if any) can be limited up to an amount that would correspond to the resources being provided by the respective third party).	We will consider whether it is appropriate to have this as a CP or there could be a different solution.
48.	Please amend the draft Concessions Agreement so that the aggregate liability of the Concessionaire together with any Shareholder and/or Third Party is limited to a total amount of BGN 200,000,000, e.g. by amending Clause 12.2 as follows: “The Parties agree that the liability of the Concessionaire, the Shareholders and any Third Parties providing their resources to the Concessionaire under this Agreement shall be limited to an aggregate maximum amount of BGN 200,000,000 (in words: two hundred million Bulgarian Lev) (the "Maximum Liability Amount"). The Parties agree that the Maximum Liability Amount represents an aggregate limit (total liability cap) for the overall liability of the Concessionaire, the Shareholders and/or Third Parties providing certain capabilities together, or in other words a total liability cap for any liability Concessionaire, the Shareholders and/or Third Parties providing certain capabilities together.” This second sentence should also be inserted in Clause 5 of each of Appendix 11a, Appendix 11b and Appendix 11c.	Please refer to our answers to previous questions on the same subject matter.
49.	Article 13.2.5 of the draft Concession Agreement states that a Third Party Airport Operator must provide a corporate guarantee in the form of Appendix 11b “ <i>in an amount corresponding to the equity which would have been provided under Clause 13.2.4 (Restrictions on share disposals) would the Airport Operator Third Party qualify as Airport Operator Shareholder.</i> ” Article 13.2.4 of the draft Concession Agreement provides that minimum shareholding of a Shareholder Airport Operator must be	Please refer to our answers to previous questions on the same subject matter.

	<p>20% (and after the 5th anniversary can go down to 10% and after the 10th anniversary of the concession or putting T3 into operation – may become 0%). Logically therefore Art. 13.2.5 means that the maximum liability of the Third Party Airport Operator under Appendix 11b must be 20% of the minimum equity of the Concessionaire, i.e. BGN 40 million within the first 5 years of the Concession and thereafter and until the 10th year of the concession - BGN 20 million and thereafter BGN 0 and not BGN 200 million as Appendix 11b provides for. In light of this please amend the amount in Clause 5.2 of Appendix 11b to BGN 40 Million in the first 5 years; BGN 20 million until the 10th anniversary of the concession or T3 is put into operation and thereafter – Appendix 11b should terminate.</p>	
<p><b>50.</b></p>	<p>Under Bulgarian law, a party that is jointly liable with the main debtor is entitled to make any objections which the main debtor can make. Therefore, please amend Appendix 11b and Appendix 11c to allow the Third Parties to make any objections that the Concessionaire might have against claims made by the Grantor. Therefore please amend Clause 2.2 of Appendices 11b and 11c accordingly (e.g. by deleting the words “upon your first written demand stating that...” and deleting “without examining the underlying legal basis and waiving all rights of any objection” and expressly clarifying that the Guarantors are entitled to bring up the same defenses against a claim made by the Grantor that the Concessionaire would be able to hold against any claims made by the Grantor).</p>	<p>We will review and assess whether there is a need for amendments.</p>
<p><b>51.</b></p>	<p>We understand that disputes under the Concession Agreement and the Appendices thereto (in particular, without limitation, Appendices 11a through 11c) should be decided in arbitration proceedings. Given that final decision of an arbitration seated in Bulgaria is directly enforceable in Bulgaria we do not see the need to make the guarantees in Appendix 11b and 11c subject to court decisions and in doing so split the forum, which might create practical difficulties in resolving disputes, as well as will increase the “political risk”. Please therefore consider deleting the following sentence in Clause 2.2 of Appendix 11b and 11c: “This guarantee (including any non-contractual rights deriving from this Guarantee) shall be governed by Bulgarian law (excluding conflict of laws), place of jurisdiction shall be the competent courts for Sofia, Bulgaria.”</p>	<p>We will review and assess whether there is a need for amendments.</p>

52.	Please clarify in Appendices 11a through 11c that the undertakings/guarantees automatically terminate when the Third Party Airport Operator, the Shareholder and/or the Third Party Providing Financial Capabilities are replaced by another third party (e.g. if the Third Party Airport Operator, the Shareholder and/or the Third Party Providing Financial Capabilities is no longer affiliated with the Concessionaire).	We will review and assess whether there is a need for amendments.
53.	Please confirm that a company that has been established for the purposes of submitting a bid in the previous tender for the Sofia Airport (which was cancelled) and which accordingly had not performed any activity as of the date hereof can submit a bid in this tender and will accordingly be considered a bidder („участник в процедурата за определяне на концесионер“) within the meaning of Art. 19 of the Concessions Act and if that bidder wins the tender and enters into the Concession Agreement as a Concessionaire such bidder will not be deemed a project company within the meaning of Art. 21 of the Concessions Act.	As clearly stated in the definition of “Bidder” in the Tender Documents, in line with Article 19 of the Concessions Act, any Economic Operator having submitted an Application and an Offer in response to these Tender Documents will be a Bidder. Whether it is eligible to participate will depend on meeting the requirements set out in these Tender Documents. Regarding “Project Company”, please refer to the definition of this term and respective clauses in the Tender Documents, developed in line with Article 21 of the Concessions Act. How any of the Bidders may become First Ranking Bidder and Concessionaire, respectively, is clearly described in the Tender Documents.
54.	Please clarify why the Grantor’s approval is provided as a prerequisite for a share transfer in accordance with Clause 13.2.1 of the Concession Agreement. Our understanding is that a share transfer in accordance with Clause 13.2.1 (a) through (d) should always be permissible without the Grantor’s approval given that a share transfer with the Grantor’s approval would always be permissible according to Clause 13.3.3 without further restrictions. Please therefore consider to delete Clause 13.2.1 (e).	At present we deem it reasonable to maintain the current solution to this issue.
55.	It appears that in Clause 34.1.7 the words “or condition” are missing as standard of comparison. We noted the response by the Tender Commission “Amended draft of the Concession Agreement was published recently and no further amendments are currently foreseen” and we would like to obtain a clarification if the omission of the words “or condition” was intentional or if the words “or condition” could be inserted into the Concession Agreement as obvious erroneous omission in the draft without the need of the publication of an amended draft in that respect,	We will review and assess your request.

	e.g. as follows: "any material deviation between the quantum or condition of the Concession Assets as transferred on Concession Commencement Date and the quantum or condition of the assets disclosed as of the Final Disclosure Date within Appendix 7 ( <i>Concession Site</i> ) and Appendix 8 ( <i>Moveable Assets</i> )"	
56.	Clauses 34.4 and 35.4 provide that the Grantor "shall exercise reasonable endeavours" while the Concessionaire "shall use <u>all</u> reasonable endeavours". Please consider to use a consistent wording/standard of reasonableness expected from the Grantor and the Concessionaire.	We deem an amendment to the Concession Agreement not necessary.
57.	Please consider to amend Clause 35.1.5 in a way that the Concessionaire is relieved with respect to the discovery of Existing Contamination (not only prior to the Concession Commencement Date). Please therefore consider to phrase Clause 35.1.5 as follows: "any discovery of Existing Contamination identified in the Site Assessment until remedy thereof."	The text will not be amended.
58.	We believe that use of the term "Indemnified Party" (being the Grantor) in Clauses 37.4.1 through 37.4.3 is not needed and confusing. Please consider the use of Grantor instead of "Indemnified Party" in Clauses 37.4.1 through 37.4.3 of the Concession Agreement.	We will review and assess your request.
59.	Please consider to replace in Clause 38.1 of the Concession Agreement "arisen" by the word "caused".	We will review and assess your request.
60.	Please explain why the Concessionaire shall be responsible according to Clause 45.2.8 for Existing Contamination. Please consider deleting Clause 45.2.8.	Please refer to our previous answers.
61.	Reference is made to item 26 of the Q&A dated 18 October, 2 <sup>nd</sup> file) with the following question and answer:  <i>Question: In light of the wording under item 3(a)(v) of Part I under Appendix 3 to the Tender Documentation with respect to the requirement to have operated or to operate airport, is it possible for an economic operator to acquire and hold 1 (one) share from the share capital of an airport operator as defined in item 3 (a) (v) of Part I under Appendix 3 and subject to the requirements of item 3(a)(i) of Part I under Appendix 3 to the Tender Documentation and comply with the requirement under item 3 of Part I under Appendix 3 to the Tender Documentation, considering</i>	We deem this question already answered within the Q&As published on 18 October 2018.

	<p><i>the wording that "such criterion will be considered to be satisfied without taking into account the percentage of shareholding held in concessionaire, special purpose vehicle or of interest held in the consortium"?</i></p> <p><i>Answer: As provided by Schedule 3, Part 1, Paragraph 3(a)(v): Such criterion will be considered to be satisfied without taking into account the percentage of shareholding held in concessionaire, special purpose vehicle or of interest held in the consortium"</i></p> <p>Shall this mean that the criterion set item 3(a)(v) of Part I under Appendix 3 to the Tender Documentation could be met by anyone having only one share in a publicly listed airport operator with more than 10 million passengers per annum, without having any influence with that single share?</p>	
<p><b>62.</b></p>	<p>Please provide the number of employees affected by the termination of the Ground Handling agreement with WizzAir</p>	<p>At present the exact number of employees affected by the termination of the groundhandling agreement with Wizz Air cannot be assessed, as a process of reassignment of groundhandling personnel to developing or new activities in need of personnel is in progress, as well as the development of new services and attracting new groundhandling customers.</p> <p>A final evaluation will be available upon completion of the preparation of the Business Plan of Sofia Airport EAD for 2019 and its approval by the company's management.</p>
<p><b>63.</b></p>	<p>What measures has the airport taken and is planning to take in order to minimize the negative financial impact of the termination of the WizzAir contract (e.g. staff reductions, sale of equipment etc.)?</p>	<p>Apart from the measures, stated in the answer to the previous question, other steps towards minimizing the negative financial impact of the termination of the contract with Wizz Air include the negotiation of additional revenues from non-aeronautical services and the engagement of reassigned employees with their provision.</p> <p>The final decision on the measures will be taken upon completion of the preparation of the Business Plan of Sofia Airport EAD for 2019 and its approval by the company's management.</p>

