

№	Question	Answer
1.	<p>Compensation on Termination for Concessionaire Default</p> <p>As we have previously submitted on a number of occasions, the compensation payable on a Concessionaire Default is too uncertain to give investors any degree of comfort as to how much will be payable in the event of a termination for Concessionaire Default. We have also reviewed the provisions of Article 150 of the Concessions Act and particularly the references to "unrecovered costs incurred in by the concessionaire on investments in the object of the concession". Costs incurred by the Concessionaire are wider than just the capex and the Upfront Concession Fee. In addition the phrase "object of the concession" is wider than just capex and reflects the proposition contained in Article 3 of the Concession Agreement and involves the provision of services also. In light of this we have amended the relevant provisions to bring the drafting in line with the Concessions Act and international market standards. We respectfully request the Grantor, to confirm that the amendments below are accepted.</p> <p>40.6 Compensation upon Termination for Event of Default</p> <p>40.6.1 If the Grantor terminates this Agreement as a result of a Concessionaire Event of Default, the Grantor shall pay to the Concessionaire the "Concessionaire Default Compensation Sum" calculated as:</p> <p>(a) the Termination Date Debt; plus</p> <p>(b) the Termination Date Equity; minus</p> <p>(c) the net present value, as of the Termination Date, of the Distributions projected in the Financial Model, discounted using the Equity IRR as per the Initial Financial Model <u>(provided that where the result of the Termination Date Equity minus the provisions of this Article 40.6.1 (c) creates a negative sum, then for the purposes of the calculation of the Concessionaire Default Compensation Sum such sum shall be zero)</u>; minus</p>	<p>The clauses you refer to are compliant with Art. 150 of the Concessions Act.</p>

(d) any amount due by the Concessionaire to the Grantor but unpaid as of the Termination Date (including any unpaid amount of the Concession Fee until the Termination Date), subject to Clause 31.1.2 (Set-Off), minus

(e) any Insurance Proceeds from Construction All Risks Insurance set out at paragraph 1 of Part 1A of Schedule 15 and All Risk Insurances – Property Damage Insurance set out at paragraph 1 of Part 1B of Schedule 15 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,

provided however that with respect to the Termination Date Debt and subject to an agreement between the Grantor and the Lenders, the Grantor may decide to assume the Termination Date Debt in accordance with terms and conditions as shall be agreed between the Grantor and the Lenders in accordance with the Laws.

The Parties agree that any amount paid as Concessionaire Default Compensation Sum pursuant to this Clause 40.6.1 (Compensation upon Termination for Event of Default) shall not exceed the Market Value of the Investments as of the Termination Date.

"Termination Date Debt" shall mean the following amount:

$X - Y + Z$

Where:

X means ~~such~~ at the Termination Date, all Senior Debt including without double counting (i) that proportion of the Senior Debt related to (i) the payment of the Upfront Concession Fee; and/or (ii) all amounts used for the performance of investments – Performance of Investments in the Concession Site until the Termination Date; (iii) all amounts (if any) used to fund Compensation Events where the Grantor exercises its right to terminate

the Concession Agreement pursuant to Article 34.4; and (iv) any revolving credit facility raised for the purpose of funding working capital;

Y means any amount of all credit balances on any banking accounts held by or on behalf of the Concessionaire on the Termination Date, to the extent the Lenders (or a security agent acting on their behalf) have valid security interests over such banking accounts and can recover such credit balances using their reasonable endeavours;

Z means all amounts, associated with the provision of finance for the Project including costs of early termination of interest rate hedging arrangements and other breakage costs, payable by the Concessionaire or any Affiliate of the Concessionaire to the Lenders as a result of a prepayment under the Financing Agreements on the Termination Date caused by the early termination of the Agreement, subject to the Concessionaire and the Affiliates of the Concessionaire mitigating all such costs to the extent reasonably possible;

"**Market Value of the Investments**" shall mean ~~(amortised) book value of all Moveable and Intangible Concession Assets developed by the Concessionaire in the Concession Site through actual Capital Expenditures, including for the avoidance of doubt the unamortised value of the Upfront Concession Fee, which amount shall be revaluated for inflation by a valuation expert appointed by the Grantor, on the basis of the Index (except for the Upfront Concession Fee which shall not be Indexed) and from which any impairment for wear and tear to the value of the tangible assets as assessed by a valuation expert will need to be deducted;~~

the amount determined by an Independent Market Value Assessor, as being the market value of the Concession on the basis of the higher of A or B where:

~~as of~~

A = the market value of an agreement on the same terms and conditions as this Agreement, as at the Termination Date ~~(i) the net,~~ but with the following amendments:

(i) if this Agreement is terminated prior to the Scheduled Completion Date, then the Scheduled Completion Date is

extended by a period to allow an assumed new concessionaire to achieve such date;
(ii) any accrued liquidated sums or KPIs are cancelled; and
(iii) the term of such agreement shall be for a period equal to the term from the Termination Date to the Expiry Date
and

B= an amount equal to the sum of:

- (i) the unamortised amount of the Upfront Concession Fee as at the Termination Date;
- (ii) the amount of Senior Debt outstanding as at the Termination Date without double counting with limb (i) above;
- (iii) the unamortised amount of the [Capital Investment Forecast/Investment Programme being the sum of EUR [] as at the Termination Date without double counting with limb (i) above; and
- (iv) the unamortised amount of the Capital Expenditures as at the Termination Date without double counting with limb (iii) above.

"Independent Market Value Assessor" shall mean [Note: this assessor should be appointed by both parties but costs to be borne by the party in default and should be chosen from one of the large international accountancy practices such as KPMG, EY, PwC or Deloitte]

"Performance of Investments in the Concession" shall mean an amount to reflect the value of the investment and participation in the development of the Airport by the Concessionaire as permitted and required by the object of the Concession during the Concession Period including the carrying out of the Works, the exploitation of the Airport Activities, the carrying out of the Airport Services, the carrying out of the activities or businesses set out in the Business Plan for augmenting the Commercial Activities, the carrying out of the Investment Programme, the carrying out of the Five-year Investment Plan and the employment and use of people and equipment to enable these activities to be carried out.

<p>2.</p>	<p>Compensation on Termination for Grantor Default</p> <p>As we have previously submitted on a number of occasions, the compensation payable on a Grantor Default is too uncertain to give investors any degree of comfort as to how much will be payable in the event of a termination for Concessionaire Default. We have also reviewed the provisions of Article 150 of the Concessions Act and particularly the references to "unrecovered costs incurred in by the concessionaire on investments in the object of the concession". Costs incurred by the Concessionaire are wider than just the capex and the Upfront Concession Fee. In addition the phrase "object of the concession" is wider than just capex and reflects the proposition contained in Article 3 of the Concession Agreement and involves the provision of services also. In light of this we have amended the relevant provisions to bring the drafting in line with the Concessions Act and international market standards. We respectfully request the Grantor, to confirm that the amendments below are accepted.</p> <p>40.6.2 If the Concessionaire terminates this Agreement as a result of a Grantor Event of Default, the Grantor shall pay to the Concessionaire the "Grantor Default Compensation Sum", calculated as:</p> <p>(a) the Termination Date Debt; plus</p> <p>(b) the Termination Date Equity, plus</p> <p>(c) the net present value, as of the Termination Date, of the Distributions projected in the Financial Model for a time period covering the five years after <u>from</u> the Termination <u>Date to the Expiry</u> Date¹ (as if termination had not occurred), discounted using a discount rate equal to the initial Threshold Equity IRR; minus</p> <p>(d) any Insurance Proceeds <u>from Construction All Risks Insurance set out at paragraph 1 of Part 1A of Schedule 15 and All Risk Insurances – Property Damage Insurance set out at paragraph 1 of Part 1B of Schedule 15</u> 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</p>	<p>The clauses you refer to are compliant with Art. 150 of the Concessions Act.</p>
-----------	--	---

Insurance Proceeds and monies standing to the credit of the Special Purpose Insurance Account; minus

- (e) any amount due by the Concessionaire to the Grantor but unpaid as of the Termination Date (including any unpaid amount of the Concession Fee until the Termination Date), subject to Clause 31.1.2 (Set-Off),

provided however that with respect to the Termination Date Debt and subject to an agreement between the Grantor and the Lenders, the Grantor or its designee may decide to assume the Senior Debt in accordance with terms and conditions as shall be agreed between the Grantor and the Lenders in accordance with the Laws, in which case the Grantor Default Compensation Sum payable to the Concessionaire will not include the Termination Date Debt.

"**Termination Date Debt**" shall mean the following amount:

$X - Y + Z$

Where:

X means ~~such~~ at the Termination Date, all Senior Debt including without double counting (i) that proportion of the Senior Debt related to (i) the payment of the Upfront Concession Fee; and/or (ii) all amounts used for the ~~performance of investments~~ Performance of Investments in the Concession Site until the Termination Date; (iii) all amounts (if any) used to fund Compensation Events where the Grantor exercises its right to terminate the Concession Agreement pursuant to Article 34.4; and (iv) any revolving credit facility raised for the purpose of funding working capital;

Y means any amount of all credit balances on any banking accounts held by or on behalf of the Concessionaire on the Termination Date, to the extent the Lenders (or a security agent acting on their behalf) have valid security interests over such banking accounts and can recover such credit balances using their reasonable endeavours;

	<p>Z means all amounts, associated with the provision of finance for the Project including costs of early termination of interest rate hedging arrangements and other breakage costs, payable by the Concessionaire or any Affiliate of the Concessionaire to the Lenders as a result of a prepayment under the Financing Agreements on the Termination Date caused by the early termination of the Agreement, subject to the Concessionaire and the Affiliates of the Concessionaire mitigating all such costs to the extent reasonably possible;</p>	
<p>3.</p>	<p>Refund Sum on a Termination for Extended Force Majeure</p> <p>We proposed some drafting for this situation in our Clarification Questions issued on 25th October (set out again for ease of reference). In your response of 31st October 2018, you stated "we will consider your proposal". We would respectfully ask when you will respond to our proposal.</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 "Extensive Force Majeure Refund Sum", calculated as an amount equal to: 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:</p> <p>41.3.1 the sum any unamortised Upfront Concession Fee as at the Termination Date;</p> <p>41.3.2 and of any unamortised actual Capital Expenditures as at the Termination Date relating to the Concession Site and the Concession Assets;</p> <p>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</p>	<p>We confirm the previous answer we have provided, that we will review and consider your proposal.</p>

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~~

	<p>the unrecovered investment expenditures in accordance with Article 152 (2) of the Concessions Act</p>	
<p>4.</p>	<p>Investment Programme</p> <p>We require more clarity over the circumstances where a deviation from the Investment Programme be permitted in the Five-year Investment Plan. We would propose that a deviation would be duly justified or is clearly more justified where there is no impact upon the Required Level of Service, there is a change which no longer needs the investment at the time or in the amount proposed or that our life cycle maintenance plans have been effective at extending the life of the particular investment proposed. Please confirm that we can reflect such proposals in to Article 18.4.3. Set out below is some drafting to assist your consideration of these proposals.</p> <p><u>"the Concessionaire has duly justified the necessity of such deviation and the proposed investment is clearly more justified or more urgent and for the purposes for this Article 18.4.3 (a) duly justified and more justified shall include justifications that the proposed investment is either no longer needed or not needed in the amount set out in the Investment Programme or not needed within the period set by the relevant Five-year Investment Programme on the basis that the Required Level of Services is not or will not be affected during the period of the Five-year Investment Programme.</u></p>	<p>We will review and consider your proposals.</p>
<p>5.</p>	<p>Thank you for amending Article 46.2 of the Concession Agreement and for introducing a definition of "Acceptable Person". We have received requests from Lenders that the individuals/bodies captured by the definition of "Acceptable Person" is amended as follows:</p> <p>"Acceptable Person" shall mean any Government Authority<u>Body</u>, or a body of similar status in each case whose functions and activities are financed entirely or mainly through the central budget of the State;</p> <p><u>"Government Body" shall mean the Grantor, the Government, the State or any ministry or a body of similar status;</u></p> <p>The definition of Government Authority is too wide and includes for example the Grantor Representative and we do not consider such a person</p>	<p>We will review and consider your proposals.</p>

	<p>would be an Acceptable Person for the purposes of the assignment of the Concession Agreement. Our proposed definition narrows the classes of person to whom would be acceptable for such an assignment but reflects the intention that that "person" is one which is funded by state budgets.</p> <p>Please confirm that the definition of "Acceptable Person" will be amended and the definition of "Government Body" will be introduced, each as set out above.</p>	
<p>6.</p>	<p>Lenders have raised concerns with Article 14.1.4 of the Concession Agreement, in particular the timing required to secure a replacement Lender and the necessity of doing same in circumstances where the debt committed by the Lender has been fully drawn down as at the date the Lender ceases to be an Acceptable Bank. An opportunity to discuss the financing arrangements in place at the time a Lender ceases to be an Acceptable Bank would be welcomed. In addition, 60 days is too short to replace a bank in this type of scenario and we note that you have accepted 90 days in response to another CQ. Please confirm this proposition is accepted – we have included drafting for your consideration below:</p> <p>14.1.4 The Concessionaire shall also be obliged to replace a Lender to the extent such Lender loses its qualification as an Acceptable Bank with a new Lender being an Acceptable Bank within sixty (60) days upon occurrence of such change of status. If a Lender loses its qualification as an Acceptable Bank, the Grantor and the Concessionaire shall meet to discuss the financing provided by that Lender, in particular whether the Concessionaire is required to replace that Lender having regard to:</p> <p>(a) <u>the debt advanced under relevant Financing Agreements;</u> (b) <u>the nature and classification of the debt advanced; and</u> (c) <u>the proportion of debt remaining to be drawn down as at the date the Lender loses its qualification as an Acceptable Bank.</u></p> <p><u>In circumstances where 100% of the debt committed by the Lender remains to be drawn down as at the date a Lender loses its qualification as an Acceptable Bank, the Concessionaire shall be obliged to replace a relevant Lender with a new Lender being an Acceptable Bank within ninety (90) days of such change in status or such longer period as is reasonably required by the Concessionaire to secure financing with a new Lender who is an Acceptable Bank.</u></p>	<p>We will review and consider your proposals.</p>

	<p>Due to the definition of an Acceptable Bank, a Lender may be an Acceptable Bank due to the approval of the Grantor, please confirm that the Grantor cannot withdraw its approval once the approval to a Lender has been given. In addition, please confirm the process for obtaining the approval of the Grantor for a bank to be an Acceptable Bank where it does not satisfy the criteria in limb (a) of the definition.</p>	
<p>7.</p>	<p>Set off We refer to our CQ submitted on 25th October regarding the rights of set off and Article 31.1.2 and Article 41.3.4 and your response of 31st October. We do not agree that Article 31.1.2 is flexible in fact it is very narrow – the set off only applies in relation to Termination Date Debt which is not used in the calculation of the Refund Sum for a Termination for an Extended Force Majeure. Therefore where there is still Senior Debt outstanding the Grantor can set off amounts owed by the Concessionaire to the Grantor from the Refund Sum but this is not permitted for compensation Concessionaire Default and not permitted for compensation for Grantor Default (please see proposed drafting at Article 41.3.8 in point 3 above to deal with the issue). Please confirm that the Grantor cannot set off sums due to the Grantor from the Refund Sum where there is Senior Debt outstanding.</p>	<p>We will review and consider your proposals.</p>
<p>8.</p>	<p>Compensation Events We refer to our CQ submitted on 25th October regarding the procedure for the application of the Rebalance set out at Article 34. In your response dated 31st October 2018, you state "We will review and assess your request". We would respectfully request when we will receive a response on your review. We require a positive response before Bid Submission. To further assist with your review, please find below amendments to Article 34 to reflect our proposal as submitted in our CQs on 9th September. Please also see amendments in the compensation on termination provisions to deal with the event that there is a termination by the Grantor and the Concessionaire has spent amounts complying with the Compensation Event (for example where there is a Qualifying Change in Law and the Concessionaire is obliged to comply).</p> <p>The Concessionaire shall only be entitled to a Rebalance once the relevant Compensation Event Minimum Threshold is met or exceeded (provided that the relevant Compensation Event Minimum Event Threshold shall only be applicable once during the Concession</p>	<p>We confirm the previous answer we have provided, that we will review and consider your proposal.</p>

	<p><u>Period as a cumulative total for all relevant Compensation Events) in the following circumstances; and which gives rise to:</u></p> <p>34.2.1 a Rebalance shall only be possible if the Compensation Event Minimum Threshold is exceeded;</p> <p>34.2.1 the Concessionaire incurs either (i) <u>an increase</u> rise in Capital Expenditures; <u>additional Capital Expenditures; an increase in Operational Expenditures; additional Operational Expenditures; and</u>-or a Loss of Aggregate Concession Revenue <u>(including in the case of a Grantor Variation, an amount equal to the full amount of such Grantor Variation)</u>over a twenty four (24) month period that exceeds the Compensation Event Minimum Threshold in relation to any Compensation Event as a direct result of (a) a single Compensation Event or (b) a series of Compensation Events occurring within a twenty four (24) months period, or</p> <p>34.2.2 additional Capital Expenditures arise which, in aggregate with Capital Expenditure obligations in respect of Compensation Events of the same type occurring within the previous twenty four (24) month exceed the Compensation Event Minimum Threshold.</p>	
<p>9.</p>	<p>Concessionaire Events of Default</p> <p>There are a number of potential or actual Events of Default which are causing our Lenders concern:</p> <p>Please confirm that a breach of Article 14.1.4 and a breach of Article 14.1.6 could not lead to an Concessionaire Event of Default.</p> <p>Please confirm that the circumstances at Article 26.11 will not lead to a termination as stated in the Concession Agreement. The Grantor should rely on the circumstances set out in Article 40.1.3.</p> <p>As set out in a previous CQ in relation to Article 40.2.2, our Lenders do not agree that a curfew, restriction, expropriation etc by any Competent Authority can only be a Grantor Event of Default if such an event has had the impact of a reduction upon the Aggregate Concession Revenues by a set amount. Any expropriation, compulsory acquisition etc should give rise to</p>	<p>We will review and consider your proposals.</p>

	a right for the Concessionaire to terminate the Concession Agreement for a Grantor Default. We would respectfully request the Grantor reconsiders this position and confirms that the removal of the link to revenues.	
10.	<p>Inconsistency between the Concession Agreement and the Direct Agreement As set out in our CQ dated 1st November, please confirm that the wording from the Direct Agreement at Article 9.4 will be reflected in the Concession Agreement such that in the event that there is an inconsistency between the Concession Agreement and the Direct Agreement, the Direct Agreement will prevail. To assist your review of this, please see our proposed amendments to Article 1.7 of the Concession Agreement. Please confirm that the proposed amendments are acceptable.</p> <p>1.7 Priority 1.7.1 In the event of any ambiguity, discrepancy, inconsistency, divergence or anomaly arising between the provisions in the main body of this Agreement (being Clauses 1 to 56) and those in the Appendices, the main body of this Agreement shall take precedence. 1.7.2 <u>If there is any conflict or inconsistency between the provisions of this Agreement and the Direct Agreement, the provisions of the Direct Agreement shall prevail</u></p>	We will review and consider your proposals.
11.	<p>Share Pledge</p> <p>Please confirm if the "Share Pledge - a pledge on the shares of the Concessionaire" as referenced in Appendix 12 of the Concession Agreement also contemplates a share pledge by way of a Financial Collateral under the Financial Collateral Directive, if the Concessionaire is the relevant form of company?</p>	Confirmed.
12.	<p>Article 56 and the Definition of Dispute Acknowledging the Grantor's position that the Arbitration provisions included in the CA are in full compliance with the provision of article 154 (2) of the Concessions Act, and that these provisions are intended to cover all possible disputes between the Parties in relation to the CA, and with regard to recent case law of the Bulgarian Supreme Court of Cassation, we suggest that the definition of Dispute is amended as follows:</p>	We will review and consider your proposals.

	<p>"Dispute" shall mean any dispute, disagreement or contestation between the Parties that arises from or is related to the application, amendment, interpretation or validity of this Agreement as well as <u>including</u> any disputes that arise from or are related to the <u>conclusion</u>, performance or to the termination of this Agreement (including a Technical Dispute), <u>as well as any disputes that arise from or are related to any Variation, supplement or adaptation of this Agreement to new circumstances (including any disputes relating to filling gaps in this Agreement, commercial frustration, and force majeure)</u>;</p>	
<p>13.</p>	<p>Please would you be able to make the aerodrome safeguarding map for Sofia Airport available to understand current building height limitations in and around the site?</p>	<p>Sofia Airport EAD currently does not have such a map. Sofia Airport EAD was certified as an airport operator as required by Regulation (EC) No 139/2014 on 29 December 2017. According to the requirements of the Regulation, Sofia Airport EAD will entrust an external contractor with the necessary qualifications to perform geodetic capture and mapping of all potentially hazardous sites outside the territory of the airport and in immediate vicinity to it, as specified in the Deviation Acceptance and Action Document - DAAD 6 (available for review in the Virtual Data Room - Appendix № 4.8.3).</p> <p>The protection of civil airports for public use and the surrounding areas from obstacles is carried out as provided for by ICAO Standards and Recommended Practices Annex 14, Volume I, Aerodrome Design and Operations. Following the accession of the Republic of Bulgaria to the European Union and the adoption of Commission Regulation (EU) No 139/2014 of 12 February 2014 laying down the requirements and administrative procedures relating to airports in accordance with Regulation (EC) No 216/2008 of the European Parliament and of the Council, the safeguarding of civilian airports for public use and their surrounding areas from obstacles shall be carried out in accordance with the latter Regulation and with the Guidance Material for Aerodrome Design CS ADR-DSN of the EASA.</p> <p>Particularly for Sofia airport it can be stated that the obstacle limitation surfaces are generally not infringed, with few exceptions.</p>

		<p>Exceptions may be divided into two groups:</p> <ul style="list-style-type: none"> (a) Obstacles located within the aerodrome: Airport control tower and meteorological measurement facilities, deployed in accordance with ICAO Annex 14 and coordinated by the national aviation supervisory authority - DG CAA. (b) Obstacles located outside the aerodrome and within the area of obstacle limitation surfaces: Terrain and buildings located southwest of the airport crossing the inner horizontal surface. For this reason, the Visual Maneuvering / Circling approach is banned south of the airport. This measure has a positive effect on reducing the noise over most of the city as well. Aerodrome Obstacle Chart (AOC-ICAO Type A) is published in the Aeronautical Information and Publication (AIP) of the Republic of Bulgaria. Obstacles crucial to establishing the minimum safe altitudes (MOCA) in the approach procedures are depicted on these procedures' charts.
<p>14.</p>	<p>Subject: Rental and Commission revenue 2017</p> <p>In the Annual Mgmt. Report 2017 the total 2017 revenues for “Rentals and Commissions” are stated to be 3,367 Thousand BGN.</p> <p>In file 4.3 “LIST OF CONTRACTS FOR RENTING OF AREAS AND PREMISES at Sofia Airport TO 01.08.2018” we have extracted the contracts valid as of end 2017, thus also excluding contracts valid only as from 2018. This results in total annual contract rent for 2017 of 4,456 Thousand BGN (applying a conversion rate of 1.96, EUR to BGN).</p> <ul style="list-style-type: none"> - It is our understanding that the information in file 4.3 shows actual contracts and rental income that the Grantor would have received in the relevant years. Please confirm whether or not that understanding is correct? If not, please explain how file 4.3 should be interpreted. - If our understanding to the above is correct, we kindly ask you to explain how the figure of 3,367 Thousand BGN from the Management Report 2017 relates to the beforementioned figure of 4,456 Thousand BGN from file 4.3. 	<p>The amount of BGN 3,367 thousand of revenues from “Rentals, commissions”, as indicated in the Financial Statement for 2017, are revenues less the contribution of 50% of the rent received, due to the State budget (Art. 90, paragraph 2 of the 2018 State Budget of the Republic of Bulgaria Act).</p> <p>In respect of the total amount of annual contract rent for 2017 of 4,456 thousand BGN (at ROE of 1.96 EUR to BGN), it is not clear how the calculations were made.</p> <p>We assume that this question was meant to pertain to the Concessionaire and not to the Grantor. In this respect, your understanding that the information in file 4.3 shows the actual contracts and rental income the Concessionaire</p>

<p>- If possible, we kindly ask you to provide a breakdown of rental and commission revenue for 2017 for the following categories separately: 'F&B units', 'Car Rental offices', and 'Forex units' and 'Other'</p>	<p>would have received during the relevant years is correct, as the Concessionaire will not be obliged to deduct 50% of the rent.</p> <p>Breakdown of rent revenues for 2017 was provided in the Physical Section of the Information Room on 13.08.2018 – Appendix 2.4.</p>
--	--