

№	Question	Answer
1.	Appendix 6 of Concession Agreement: It is mentioned that KPIs will be applicable from 6th month after Concession Commencement Date. We suggest that MTR related works and their impact during the construction period of the relevant works (as defined in the proposed CDP) to be excluded from KPI monitoring.	According to Clause 1.3.1 of Appendix 6, informal measurement is initiated from month 6th following the Concession Commencement Date. The formal monitoring begins at the Performance Measurement Commencement Date, which is 24 months after the Concession Commencement Date. This is considered reasonable. The option to develop interim KPIs for T1 has already been factored into Appendix 6.
2.	Clause 8.3.3 (C)(e) of Concession Agreement: it is stated that Concessionaire has to provide insulation to houses. We wish to submit that this has to be related to a noise study based on existing traffic (before C.C.D). Any impact on existing houses due to existing traffic, as well any pollution which existed before transfer to the Concessionaire, has to be mitigated by Grantor. Concessionaire would have to be responsible only for pollution (noise, air, environmental) and mitigation measures only If it is related to the traffic increase after C.C.D.	The Concessionaire shall be liable to cover all E&S liabilities that arise following the Concession Commencement Date.
3.	Clause 6.2 of Concession Agreement: Grant of right of use over and handover of Moveable Assets: We request you to clarify whether there will be a price list per item/ leasing contracts available prior to C.C.D? In case the Concessionaire decides to bring or procure its own moveable equipment we understand that they will have to pass certification procedures/ORAT procedure. We request you to confirm that until this time, the Grantor should maintain the existing moveable assets available to guarantee uninterrupted airport operations	The moveable assets are published in the Virtual Data Room – Appendixes 5.9, 5.9.1., 5.9.1.1. и 5.9.1.2 with their book value. The Concessionaire may choose to buy or rent certain assets at the Concession Commencement Date. Their value will be determined through independent valuation in the Transition period, after which the Concessionaire can opt to purchase them, rent them or acquire new assets on its own. Existing moveable assets will continue to be maintained as is the case already today.
4.	Clause 6.3 (a) of tender document - We request you to clarify as to which rating as per Fitch would be acceptable for Banks. With regards to S&P rating, page 84 (form A - Application) specifies the	The Fitch rating will be revised to BBB- or better, and the S&P rating is identical. This requirement will also be applicable for banks operating in Bulgaria

	<p>rating to be BBB-. We request you to kindly confirm that BBB- S&P is the valid rating.</p> <p>We request you to clarify if a Bank which operates in Bulgaria can issue the bank guarantee even if such bank does not have the required rating</p>	
5.	<p>Clause 6.3 (e) of tender document - The second ranking bidder is required to maintain its participation guarantee for a period of 30 days after expiry of Conditions Precedent Long Stop Date (12 months post Concession execution date). This will impose high sunk costs for the second ranked bidder should the First bidder be finally awarded the Project. Hence the participation guarantee of the second ranking bidder should also be released with the other bidders</p> <p>It may be suggested to reduce the above period to 180 days the subsequently extendable on the instruction of the Grantor</p>	<p>According to art. 121, para. 2 of the Concessions Act, when – prior to the concession agreement signing deadline, the first-ranking bidder fails to provide the evidences, set out in paragraph 1 (art. 121, para. 2 of the Concessions Act) or refuses to sign the concession agreement, the Grantor may issue a decision, awarding the contract to the second ranking bidder. The current version of the Concessions Act prohibits the possibility that an agreement is signed with the second ranking bidder after there is a signed contract with the first ranking bidder and for some reason the so-called conditions precedent are not fulfilled. Only if, by the expiration of the period, allowed for the submission of the documents, as per art. 121, para. 1 of the Concessions Act, the bidder, who has been awarded the concession, fails to provide the evidences, pursuant to art. 1 or refuses to sign the agreement, the Grantor may award the agreement to the second ranking bidder.</p> <p>The Tender documents will be amended accordingly.</p>
6.	<p>Clause 6.6 (a) of tender document - We request that the Bid Validity period be reduced from 360 days to 180 days as the former would lead to escalations on account of inflation for the Bidders</p>	<p>The validity term of the offers will not be reduced.</p>
7.	<p>Please provide the detailed P&L statement for retail for 2015, 2016 & 2017.</p>	<p>This information is available in the Virtual Data Room – Appendix 1.1.10.</p>
8.	<p>As per 1.6 on page 23 in the English version of the “Ordinance on the airport charges and charges for air navigation services” it is stated that: “External crediting: in case of lacking of funds for carrying out of investments, the airport operator can attract external lending; in such case these costs should include all loan servicing costs (principals, interest and</p>	<p>According to item 1.6 of Section I of Appendix No. 1 of the “Ordinance on the airport charges and charges for air navigation services” the Methodology for determining the airport charges, collected by the operator of an airport with annual traffic, exceeding 5 million passengers or the airport</p>

<p>other costs) from origination of the relationship with the credit institution up to the full repayment of the loan”. Can you please confirm whether this external lending relates to any debt issued, or only to the debt related to capital expenditures spent on regulated assets?</p>	<p>operator with the largest number of passengers within the Republic of Bulgaria (Sofia Airport), the external lending refers to the investments (capital expenditures). According to item 1.5 in the same section, such investments include any and all expenditures and costs, arising from the need of the construction of a new or expanding the capacity of the existing infrastructure, of supplying new equipment, facilities or technologies; such amounts cannot be provided only through depreciation of the existing assets, and therefore such expenditures and costs must also incorporate the depreciation costs of new infrastructure, equipment, structures and technologies, calculated, based on their useful lifetime.“</p> <p>The loans will be assessed on a case-by-case basis, depending on the purpose and use of the assets being acquired, if and so far as these are related to the performance of the regulated activities.</p> <p>Following the general principles, as detailed in the Methodology for determining the airport charges, collected by the operator of an airport with annual traffic, exceeding 5 million passengers or the airport operator with the largest number of passengers within the Republic of Bulgaria (Sofia Airport), the external lending shall only relate to the capital expenditures (investments), spent on regulated assets.</p>
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