

№	Question - EN	Answer - EN
1	<p>Shall the Concessionaire be obliged to step into the existing insurance policies of Sofia Airport or will there be the possibility to cancel the current insurances? As the existing policies are:</p> <p>a) Not fulfilling the tenders Minimum Insurance Requirements (e.g. in terms of covered perils and limits) and</p> <p>b) Include other risks/assets which are not part of the current tender process, we either need</p> <p>a) The confirmation that these current policies will not be transferred to the new concessionaire or</p> <p>b) The right to cancel the current policies immediately (before the Effective date). In this case, the Grantor has to initiate the process of cancelling the policies, as he is party under the insurance policies/agreements.</p>	<p>The Concessionaire will not be obliged to step into existing insurance contracts concluded by Sofia Airport EAD in order to allow him to negotiate freely the terms and conditions of the insurance contracts to which he will be a party. However, the Concessionaire will have to ensure compliance with the principle of continuity of insurance coverage and to observe the Minimum Insurance Requirements laid down in the draft Concession Agreement (Appendix 15). Article 2.9 of the draft Concession Agreement explicitly provides for the right of the Concessionaire to request the Grantor to ensure termination of contracts which do not fall within the scope of contracts subject to compulsory transfer to the Concessionaire.</p>
2	<p>The Grantor has some specific requirements to the insurance <u>Motor Vehicle Liability</u> ("Motor") stipulated in APPENDIX 15 MINIMUM INSURANCE REQUIREMENTS, PART 1A - CONSTRUCTION INSURANCES TO BE EFFECTED as follows:</p> <p>a) the Concessionaire to be Insured party under the policy</p> <p>b) the Additionally Insured parties to be the same as for the CAR insurance;</p> <p>c) the Period of the Insurance to be as per the CAR policy;</p> <p>d) the Expiry Date to be the end of the period insured by the CAR policy;</p> <p>e) the Deductible not to exceed twenty thousand Euro (€ 20,000);</p> <p>We consider that the above mentioned requirements could not be covered and contradict the Law.</p> <p>Our arguments are as follows:</p> <p>a) According to Bulgarian legislation, insured party under insurance Motor Vehicle Liability can be only the owner of the vehicle (subcontractors, construction companies, etc.). This means that the Concessionaire, the Grantor and all other parties under the CAR insurance could not be Insured/Additionally Insured;</p> <p>b) Period of this insurance can be only 12 months (subject to annual renewals);</p> <p>c) the Expiry Date cannot be the end of the period insured by the CAR policy;</p> <p>d) According to Bulgarian legislation, the Deductible is not allowed under this policy;</p> <p>Please confirm that requirement under items a), b), c) and d) are not obligatory for the insurance Motor Vehicle Liability ("Motor").</p>	<p>a). Under the Insurance Code (Art. 477, paragraph 2) the insured persons under the compulsory Motor Vehicle Liability insurance are the owner, the user and the holder of the motor vehicle for which there is a valid insurance contract, as well as any person who physically and legally drives or uses the motor vehicle. This means that the Concessionaire, the Grantor and some of the other parties to the CAR insurance may be insured if they are owners, users or holders of the motor vehicle for which the insurance was concluded. However, the indication of a main insured person and a supplementary insured person in the way it was made in item 10, is not correct and we will change the text of the Appendix.</p> <p>b). The compulsory Motor Vehicle Liability Insurance is usually concluded for one insurance period, which is one year. However, the law allows the contract to be concluded for a period of up to three insurance periods, each one of which is one year (Art. 489, paragraph 2 of the Insurance Code). In this respect, it is not true that the duration of these insurance policies can only be up to 12 months.</p> <p>c). The end date of the Motor Vehicle Liability Insurance can be the end date of the CAR insurance, as it is necessary to guarantee the existence of this insurance during the 12-month period of liability for defects under the CAR insurance.</p> <p>d). We will consider the need for changes to Appendix 15 to reflect the comment.</p>

3	<p>The Grantor has some specific requirements to the <u>Employer`s Liability Insurance</u> ("<u>Empovers</u>") stipulated in APPENDIX 15 MINIMUM INSURANCE REQUIREMENTS, PART 1A - CONSTRUCTION INSURANCES TO BE EFFECTED as follows:</p> <p>a) the Concessionaire; and any company or contractor for which it is responsible to be Principal Insured under the policy b) the Grantor to be Additionally Insured under the policy; c) the Period of the Insurance to be as per the CAR policy;</p> <p>We consider that the above mentioned requirements could not be covered and contradict the Law. Our arguments are as follows: As per the stipulations of the Bulgarian Labor Act, art. 200, the Employer is legally liable for damages suffered by the employees during working hours or when the employee is performing a task assigned by the Employer. However, Employers Liability insurance is not compulsory insurance in Bulgaria.</p> <p>The Code regulates the industrial relations between the worker or employee and the employer, as well as other relations immediately associated with them. Relations related to the supply of labor power shall be arranged as employment relationships only.</p> <p>As per the definitions in the Code: "Employer" shall be any natural person, legal person or a division thereof, as well as any other organizationally and economically self-contained entity (enterprise, institution, organization, co-operative, farm, establishment, household, association and other such), who or which independently hires workers or employees under an employment relationship, including for work at home and remote work, and for commissioning to work at a user undertaking.</p> <p>Considering the above said, our understanding is as follows:</p> <ol style="list-style-type: none"> 1. the Concessionaire could not effect this insurance on behalf of a third party; 2. the Concessionaire shall be obliged to request from each company or contractor working on the territory of the Airport to have Employer`s Liability insurance; 3. The Grantor could not be Additionally insured under this policy; 4. Period of insurance can be only 12 months, with annual renewals (subject to annual renewals); <p>Please confirm that our understandings are correct.</p>	<p>The Concessionaire shall not be required to take out this type of insurance on behalf of a third party but to ensure that, for the duration of the Concession and execution of construction works at the Airport, any company or contractor, to which the Concessionaire has procured the implementation of certain activities at the Airport, must take out and maintain an "Employer's liability insurance". The Grantor should not be Additionally insured under the "Employer`s liability" insurance. The duration of the insurance should be the CAR policy period, to guarantee the insurance is effective during the 12-month period of liability for CAR insurance defects as well.</p>
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