

TERMS AND CONDITIONS ON DEFERRAL AND RESCHEDULING OF LIABILITIES OF THE RAILWAY UNDERTAKINGS

I. GENERAL PROVISIONS

Art. 1. These Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings regulate the terms and conditions under which STATE ENTERPRISE 'NATIONAL RAILWAY INFRASTRUCTURE COMPANY', UIC 130823243, with registered office and address of management: Sofia, 1233, 110 Knyaginya Mariya Luiza Blvd., (hereinafter referred to as **SE NRIC**) carries out the deferral and rescheduling activities for payable on demand liabilities of the railway undertakings.

II. PROCEDURE

Art. 2. (1) The procedure starts with the lodging of an application to the General Director of SE NRIC by a railway undertaking which has unpaid dues to SE NRIC.

(2) Deferral and rescheduling of liabilities presuppose the existence of amounts due by the debtor, which he has not paid off by the maturity date.

(3) Deferral is present in cases of setting a new deadline for a one-time payment of the entire obligation.

(4) Rescheduling is present when the payment of the obligation will be in parts and different terms for payment of the obligation (maturities) are set for the different parts according to a repayment plan.

(5) In case of deferral and rescheduling, the railway undertaking owes legal interest on the amount of the deferral and rescheduling of liabilities, including for the period of the deferral/rescheduling.

(6) Deferral and rescheduling of liabilities shall be carried out under equal and non-discriminatory conditions to all railway undertakings.

III. ELIGIBILITY CONDITIONS OF DEFERRAL AND RESCHEDULING OF LIABILITIES

Absence of certain circumstances

Art. 3. (1) To the application under Art. 2, evidence should be submitted that the following circumstances are not present in relation to the relevant railway undertaking:

1. Taken decision for starting a liquidation procedure;
2. Open insolvency or restructuring procedures of the enterprise, resulting in absence of an issued court decision for opening a bankruptcy procedure, respectively lack of open restructuring procedures in accordance with the Commerce Act.

(2) If the liability for which deferral or rescheduling is requested has been assigned for collection by a bailiff, deferral or rescheduling is acceptable in case the compulsory collection proceedings have not reached the public auction stage.

In case of certain circumstances

Art. 4. (1) To the application under Art. 2 evidence of the existence of the following circumstances in relation to the relevant railway undertaking should be attached:

1. Annual financial report for the previous three years and estimated financial and economic analysis of the activity for the deferral/rescheduling period.
2. Reference for the expected cash proceeds, reduced by the necessary current cash payments in connection with the carried out economic activity for the deferral/rescheduling period.

3. Reference for all public liabilities and obligations to private creditors, as well as for the interest on them as of the date of submission of the application.

(2) The railway undertaking may offer a guarantee for the deferral/rescheduling period which will cover the liability for the period of validity of the deferral/rescheduling.

Additional conditions

Art. 5. (1) In the cases in which rescheduling is requested, to the application under Art. 2 a proposal for a repayment plan is also presented.

(2) In the cases in which deferral is requested, to the application under Art. 2 a deadline (maturity) for making the due payments is also proposed.

Examination of the application and the supporting evidence

Art. 6. (1) Competent to act on the request for deferral/rescheduling of liabilities of the railway undertaking is the Management Board of SE NRIC.

(2) Within 14 days of receipt of the request under Art. 2, the General Director of SE NRIC prepares and submits a report to the Board of Directors of SE NRIC, and the report contains a reasoned opinion on the request of the railway undertaking and the evidence attached to it .

(3) If it is necessary to submit additional documents and clarifications on the application, the deadline is extended by another 7 (seven) days.

(4) The Management Board of SE NRIC shall issue a reasoned decision on the request for deferral/rescheduling of liabilities of the railway undertaking within 14 (fourteen) days from the submission of the report to the Management Board of SE NRIC. If necessary, exceptionally, the term can be extended by another 14 (fourteen) days.

Admissibility of the deferral/rescheduling

Art. 7. (1) No deferral/rescheduling is allowed when the documents attached to the application under Art. 2 contain data that do not reflect the actual facts and circumstances or do not correspond to market prices and conditions.

(2) The Management Board makes a decision on rescheduling of liabilities, the term being determined depending on the amount of the required liabilities, as follows:

- a liability of up to BGN 200 000 is rescheduled for a period of 3 months in equal instalments;
- a liability in the amount from BGN 200 001 to BGN 500 000 is rescheduled for a period of 6 months in equal instalments;
- a liability in the amount of over BGN 500 001 is rescheduled for a period of 12 months in equal instalments;

(3) When making a decision, the Management Board takes into account the features of the specific request, the volume of the carried out transport services, the amount of the liabilities and the type of guarantee measures, if such are proposed.

(4) At its discretion, the Board of Directors may require from the railway undertaking to provide a guarantee for the deferral/rescheduling period in order to cover the amount of the principal and the interest of the liability for the period of validity of the deferral/rescheduling.

Issuance of a decision of the Board of Directors and conclusion of an agreement for deferral/rescheduling

Art. 8. (1) By Decision of the Management Board, the deferral/rescheduling of the liabilities and the conclusion of an agreement, which determines:

1. The deadline for final payment of the liability;
2. The amount of repayment instalments and the period of rescheduling the liability according to the repayment plan;
3. The consequences of not complying with the conditions of the deferral/rescheduling permission;
4. Other conditions concerning the deferral/rescheduling.

(2) After taking the decision under para. 1 and based on the financial conditions defined therein, a draft agreement is prepared, with a repayment plan attached to it (if applicable). The draft agreement

shall be provided to the railway undertaking which submitted the deferral/rescheduling request within 14 days of the issuance of the decision.

(3) Within 7 days of receipt, the railway undertaking should sign the draft agreement provided to him or notify SE NRIC about his opinion.

(4) After signing the agreement, the debtor should pay his current liabilities regularly and should follow the deadlines for payment of instalments according to the approved repayment plan or the maturity of the deferred claim.

(5) Upon unfulfilment of two instalments according to the repayment plan, the amounts due become immediately due and payable, together with the legal interest. In these cases, SE NRIC has the right to unilaterally terminate the agreement.

(6) In case of non-fulfilment of the deferred claim, the General Director of SE NRIC notifies the debtor of the immediate demandability of the deferred claims, together with the legal interest.

(7) Rescheduled and deferred liabilities are repaid in the following sequence: expenses, interests, principal, according to Art. 76 of the Obligations and Contracts Act (OCA).

IV. ADDITIONAL PROVISIONS

Art. 9. These Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings regulate the conditions and procedures for the deferral and rescheduling of the required liabilities of the railway undertakings, which arose as a result of the services provided by SE NRIC, related to access and use of the railway infrastructure and service facilities. The railway infrastructure covers railway tracks and fixed facilities according to § 1, item 1 of the supplementary provisions of the Railway Transport Act.

Art. 10. (1) These Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings were adopted by the Management Board of SE NRIC with Decision under item 9 of Protocol No. 33-10/23 at a regular meeting of the Board of Directors of SE NRIC, held on 11.10.2023, and are valid in the future and enter into force, starting from the date of the decision of the Management Board of Directors - 11.10.2023.

(2) The accepted Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings are published on the website of the State Railways of Railways within 7 days of their entry into force.

Art. 11. (1) These Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings may be amended and supplemented by the Management Board of SE NRIC upon the proposal of the General Director of SE NRIC.

(2) Any accepted amendment and supplement to these Terms and Conditions on Deferral and Rescheduling of Liabilities of Railway Undertakings shall be published on the website of SE NRIC within 7 days of the entry into force of the changes.