BDZ PASSENGERS HEAD OFFICE

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REPORT

on

the quality of the transportation services rendered, pursuant to the requirements of art. 28 of Regulation No 1371/2007

January – December 2014

1. Provision of information about the trip and sales of tickets

Information for the passengers

BDZ Passengers EOOD uses different means of informing its customers and partners.

Before the entry into force in December 2013 of the new timetable for the traffic of trains, information was provided to the public about the major changes in the transport scheme of servicing through the following:

- Announcements in the mass media;
- Distribution of travel guides, short timetables, brochures, etc.
- The BDZ Internet site, www.bdz.bg

To meet the higher demand before official and national holidays, information is provided about the assignment of additional trains and the increase of the compositions of the regular trains with additional coaches on the major lines through:

- Announcements in the mass media;
- The BDZ Internet site, www.bdz.bg

Announcements about changes in the timetable of about discontinuations of the traffic of the trains due to repairs or reconstruction work:

- Announcements in the mass media;
- The BDZ Internet site, www.bdz.bg

Information provided to the passengers at railway offices and stations – in person or by telephone – train timetable; general tariff conditions, prices.

Information through the BDZ Internet site – train timetables; general tariff conditions, prices, changes in the timetables, train itineraries.

Distribution channels

railway stations, stops and offices

At the end of 2014, servicing of passengers is rendered at 276 stations and stops. The BDZ Passengers EOOD personnel services 81 stations and 8 stops, and at 177 stations, stops and mixed points, sales are made by employees of the infrastructure manager. At 10 stations, servicing is mixed. The total number of non-serviced stations and stops is 409.

Buying tickets in the train

The sale of tickets in the train is carried out by the transportation personnel.

Passenger trains for which BDZ offers online sale of tickets and seat reservations are serviced by notebooks the transportation personnel carried along.

Purchasing tickets online

Since December 2013, BDZ Passengers EOOD has started the online sale of tickets and reservations. At this stage, the system has a restricted range and functions, as it is part of an integrated information system to be built. The pilot phase of the *Online Reservation and Ticketing System* embraces ticket and reservation sales for fast trains with compulsory reservation and night trains with sleeping cars for the destinations Sofia - Varna via Gorna Oryahovitsa and Sofia - Burgas via Plovdiv and via Karlovo. Since September 2014 the system includes an additional six fast trains for which customers have the opportunity to purchase tickets online. These are two fast trains Sofia - Blagoevgrad - Sofia; two fast trains Sofia - Varna - Sofia and two fast trains Plovdiv - Sofia - Plovdiv.

At the end of 2014 the system covers a total of 18 trains on main lines:

Four pairs of fast trains with obligatory reservation:

- Sofia Gorna Oryahovitsa Varna and back (trains 2611/2610)
- Sofia Gorna Oryahovitsa and back (trains 2641/2640)
- Sofia Karlovo Burgas and back (trains 3625/3620)
- Sofia Plovdiv Burgas and back (trains 8611/8612)

Three pairs of fast trains:

- Sofia Gorna Oryahovitsa Varna and back (trains 2613/2612)
- Sofia Blagoevgrad and back (trains 5621/5622)
- Ploydiv Varna and back (trains 8631/8632)

And two pairs of night fast trains with sleeping cars:

- Sofia Gorna Oryahovitsa Varna and back (trains 2627/2626)
- Sofia Plovdiv Burgas and back (trains 8627/8626);

Return tickets are also issued, but only between two stations at which the relevant train stops. At this stage, there is no opportunity to buy tickets for two or more trains.

2. Punctuality of services and general principles for dealing with the situation of discontinuation of services and cancelling of trains

2.1. Delays

Information for the passengers in case of train delays

In cases of train delays at an initial station or at a station on the way, information for the passengers is provided:

- at the stations, on electronic information boards and from loudspeaker systems by the information personnel wherever there is such personnel, or by a person authorized by the station personnel for all other stations; in cases of telephone calls, by the information personnel of the stations wherever there is such personnel.
- in the trains by the transportation personnel
- online, at the Internet company site www.bdz.bg current online information is provided about the running and the delays of arriving and departing trains for the following stations: Sofia, Plovdiv, Varna, Burgas, Ruse, Mezdra, Gorna Oryahovitsa and Pleven.

Statistics on the punctuality of passenger trains in 2014

According to the approved guidelines for reporting delays of passenger trains, everyday information is registered on irregularities occurring during the traffic of the trains. This information must also contain the reasons for the train delays. These may be attributable to: the infrastructure manager (railway; signaling and telecommunications; provision of energy, traffic); railway carriers (BDZ Passengers EOOD, BDZ Cargo EOOD, etc.); other reasons (neighbouring railway administrations; circumstances outside the competence range of the railway administration).

| Category | International trains | Domestic long- distance trains | Regional and suburban trains |
|--|----------------------|-----------------------------------|------------------------------|
| % delays total | 36.2% | 27.5% | 10.8% |
| % delays up to 60 minutes at end station | 29.8% | 24.7% | 10.1% |
| % delays from 61 to 120 minutes at end station | 4.3% | 2.0% | 0.5% |
| % delays over 120 minutes at end station | 2.1% | 0.8% | 0.1% |

2.2. Discontinuations

In emergency situations an action plan is made immediately after the occurrence of the concrete case. Depending on the nature of the situation and the possibility for action, trains are moved onto a different line or passengers are transboarded onto buses.

Sanctions, compensations and stimulus

In train delays

With the aim of increasing the effectiveness of the railway network, the system for reducing disruptions consists of the following components: minutes of delay and reasons.

Depending on the reason for the delay, the minutes of delay are applicable to the infrastructure manager; the carrier, i.e., BDZ Passengers EOOD, or a third party.

A delay of a passenger train is a delay that is longer than 5 minutes at the end station.

To establish the amount of delays of passenger trains and the reasons for these, after the expiry of the current month a bilateral protocol is made on the basis of the everyday information; the protocol is to be signed by the infrastructure manager and the carrier.

In changes of the itinerary of trains

In cases of cancelations of already booked paths on the request of the carrier or through his fault, the infrastructure manager does not refund the fee for the booked path.

In cases of cancelations of already booked paths on the request of the infrastructure manager or through his fault, he returns the fee for the booked path to the carrier.

In cases of cancelations of already booked trains on the request of the infrastructure manager or through his fault, he pays the damage really suffered by the cancellation of the train, on the basis of documentary proof.

In cases of transboarding passengers from trains due to a fault of the infrastructure manager or of third parties with whom the infrastructure manager has contractual relations, he owes the carrier the costs for the transboarding and the value of the returned tickets, reduced with the value of the non-calculated infrastructure fees for transboarded trains.

2.3. Canceling railway passenger services

In the cases below, the railway carrier BDZ Passengers EOOD resorts to reserve and extraordinary transport:

Reserve transport

BDZ Passengers EOOD organizes servicing with reserve transport in the following cases:

- After notifications by the Bulgarian National Railway Infrastructure Company about forthcoming planned repairs on the railway and the facilities;
- ➤ Other events for which it is known in advance that they make impossible the provision of the public service.

Extraordinary transport

Extraordinary transport is organized in cases of:

- > Discontinuations of the railway traffic due to natural disasters;
- Discontinuations of the railway traffic due to railway accidents and incidents;
- ➤ Damages on the rolling stock and/or the railway infrastructure;
- > Other circumstances.

4. Cleanliness of the rolling stock and the railway facilities

Cleaning of railcars and multiple-unit trains

BDZ Passengers EOOD carries out the cleaning of trains at 46 points throughout the country, located in five regional centers for cleaning and equipping. Technologies for the different types of cleaning of railcars and electric multiple-unit trains have been developed and approved, according to which the cleaning of the rolling stock is done.

- A technology for everyday internal cleaning and equipping of passenger coaches and multiple-unit trains;
- A technology for cleaning passenger coaches and multiple-unit trains at the stations;
- A technology for major internal cleaning and equipping of passenger coaches and multiple-unit trains;
- A technology for external washing of railcars and multiple-unit trains.

For each month, a daily timetable is prepared for major internal cleaning and external washing of rain compositions and rolling stock. Such a timetable is made for all stations and equipment points, at which cleaning is carried out.

Quality of the air in coaches and multiple-unit trains

A total of 56% of the coaches in the BDZ Passengers EOOD passenger railcar fleet are equipped either with air-conditioning or with air canal heating.

Air-conditioned coaches are 12% of the total passenger railcar fleet. This presupposes the constant passing of the incoming air through a filtering element, when heating or cooling.

Passenger coaches with air canal heating are 44% of the fleet. In this type of coaches the passing of the incoming air – only when heating – is though a filtering element.

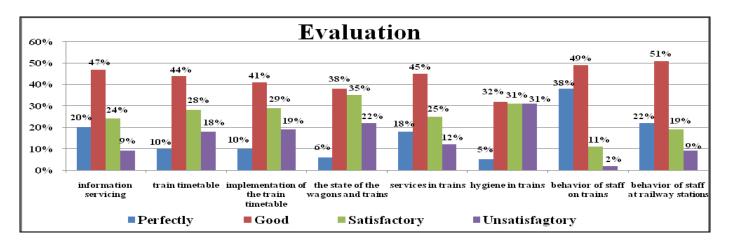
BDZ Passengers EOOD services suburban zones around the large passenger centers – Sofia, Plovdiv, Varna, with electric and diesel multiple-unit trains equipped with air-conditioning and filter elements of the incoming air. All night trains are serviced by air-conditioned sleeping cars, as of May 2013.

5. Customers' satisfaction

To meet the needs of the population of passenger transport services, before the introduction of the new timetable for the movement of trains the infrastructure manager together with the national railway passenger carrier BDZ Passengers EOOD organizes meetings with representatives of customers' organizations and the regional and municipality administrations. In these meeting the transport schemes developed are presented, discussed and coordinated, the itineraries, timetables, periods of movement, stops of trains etc. are considered and evaluated.

The counting of passengers in all categories of trains is an element of the marketing studies of passenger transport being carried out. These are made three times in a year within 7 (seven) calendar days – from Monday to Sunday (including). In 2014, regular counts of trains were made in March, July and October. On this basis, the number and type of coaches are determined for the compositions of the different categories of trains.

In December 2014 and January 2015 among passengers was conducted study in order establishing customer satisfaction by the proposed passenger rail services. Among the passengers of 51 long distance trains and 18 regional and suburban trains were distributed questionnaires. 2000 questionnaires were filled, of which 28 are from foreign nationals travelers on Bulgarian territory. Estimates, which are prompted to do respondents in eight major aspects associated with rail transport services, showed satisfactory results.



In all eight questions, the biggest share belonged to customers specifying services as good. The exception is the hygiene in trains, where the percentages of good, satisfactory and unsatisfactory evaluation are equal. The best customer rating was received by the staff on trains - there dissatisfied only 2% of the passengers.

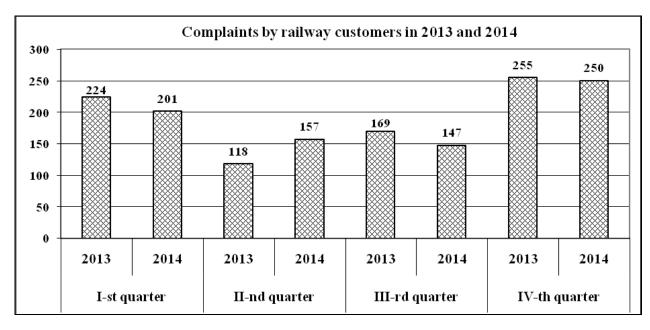
6. Review of complaints, refunds and compensations for deviations from the standards of service quality

Complaints

A passenger who is dissatisfied with the quality of the service provided may submit a complaint or a signal to the railway undertaking. Contact data (telephone number, fax, e-mail address and postal address) are shown in all stations, railway offices, in the Internet, in train brochures, etc.

There is a **telephone hot line** at the Central Office of BDZ Passengers EOOD for receiving customers' signals and complaints.

Each complaint is reviewed, an investigation is made, if it is necessary, and an answer is obligatorily provided, containing a detailed and motivated explanation on the issue raised, conforming to all regulatory documents and reflecting the concrete situation.



In case a violation of an official duty by an employee is established and the employee's responsibility is proved, he/she is taken to account and a disciplinary sanction is imposed, according to the legislation in force.

In 2014 were received a total of 755 complaints and signals from clients or 8% less than the previous year. Of these, 404 units (54%) are justified, and 371 (46%) are unfounded.

Timetables and itineraries **Quality of the** 36% transportation Information for the service passengers 6% 4% Other 16% Servicing the pssengers at ationsor in trains Tariff policy of the Cleanliness of trains company 19% and stations 1%

Complaints by customers in 2014

Refunds

Generalized data on refunds and paid compensations to passengers with international railway transportation documents in 2014, due to train delays in accordance with Regulation 1371 on rail passengers' rights and obligations.

| Paid amounts for 2014 under Regulation 1371 for train delays | | | |
|---|---------|----------------------|--|
| Month | euro | number of passengers | |
| June | 12,00 | 1 | |
| July | 139,00 | 24 | |
| August | 409,50 | 100 | |
| September | 367,50 | 83 | |
| October | 773,50 | 112 | |
| November | 336,75 | 50 | |
| December | 160,00 | 35 | |
| Total | 2198,25 | 405 | |

7. Providing help to people with health problems or reduced mobility

The transport servicing of people with reduced mobility by rail is carried out using six fast trains with obligatory reservation and in two fast trains in which specialized cars with special seats for people with reduced mobility are composed. Transport services are also rendered in the compositions of two fast trains with obligatory reservation and four fast trains, only in cases of an already ordered travel, as the company does not have the necessary number of specialized cars. The compositions of the night trains Sofia – Varna – Sofia and Sofia – Burgas – Sofia included sleeping cars with separate cabins for the transport of disabled persons and persons with reduced mobility.

The major itineraries on which people with reduced mobility are transported are:

- Sofia Burgas Sofia via Plovdiv
- Sofia Burgas Sofia via Karlovo

- Sofia Varna Sofia via Gorna Oryahovitsa
- Sofia Yambol Sofia via Plovdiv

The compositions of these trains include specialized cars with special seats for people moving in wheelchairs and their accompanying person(s). The coaches have inbuilt sanitary modules meeting the international standards.

The transport servicing of people with reduced mobility is carried out through the station services of the Bulgarian Red Cross at the railway stations in Sofia, Plovdiv, Stara Zagora, Burgas and Varna, as well as through the information desks at the railway stations Pleven, Gorna Oryahovitsa, Shumen, Yambol, Sliven and Pazardzhik.

To carry out the transportation service, it is necessary to make an order one day before the trip (when traveling with combined transport – train and automobile, the order must be made at least two days in advance) at the stations or at the telephones shown at the BDZ Internet site, www.bdz.bg.

Apart from the above-mentioned trains, people with reduced mobility can also travel in the diesel and electric Desiro multiple unit trains that run on different lines in the country. Each multiple unit train is equipped with a mobile foldable ramp for servicing people with reduced mobility. For traveling in these trains, no preliminary order is necessary. The servicing of people with reduced mobility during train mounting and alighting is carried out by the transportation personnel.

Itineraries on which trains with such compositions run are:

- Sofia Pernik Sofia,
- Sofia Blagoevgrad Sofia,
- Sofia Kjustendil Gjueshevo Sofia,
- Sofia Mezdra Vraca Sofia,
- Sofia Pirdop Sofia,
- Sofia Dragoman Sofia,
- Sofia Bankja Sofia,
- Sofia Plovdiv Sofia,
- Plovdiv Karlovo / Hisar Plovdiv,
- Plovdiv Asenovgrad Plovdiv,
- Plovdiv Stara Zagora Plovdiv,
- Plovdiv Parvomaj Plovdiv,
- Kardzhali Podkova Kardzhali.
- Varna Dobrich Kardam Varna,
- Trojan Levski Svishtov Trojan,
- Pleven Cherkvica Pleven,
- Silistra Samuil Silistra, etc.

The transportation of guide dogs for blind people is allowed in second class coaches with seats in all categories of trains and in sleeping and couchette cars, against purchasing a second class ticket for the relevant category of train. The guide dog must be muzzled and must have a veterinary certificate, an ID card and a hard muzzle.

Foreign customers who wish to receive this kind of service should place an order for the transportation of people with reduced mobility and are entitled to additional information from the telephone and the email address given in the Internet site of the company.