

Tbilisi

_____, 2017

I. Parties

- 1.1. The present agreement hereof is made by and between JSC “Georgian State Electrosystem”, represented by _____ (hereinafter referred to as the Purchaser), on one hand, and _____ (hereinafter referred to as the Supplier), represented by _____, on the other hand, acting on the basis of the charter of the company and in accordance with the applicable legislation.

II. Subject to the Agreement

- 2.1. The Supplier shall be liable to provide services (hereinafter referred to as the Services) to the Purchaser (CPV code: 73200000, 73210000) in accordance with the Annex No.1 (Price list) and Annex No.2 (Technical conditions).
- 2.2. The Annexes No.1 and No.2 are the integral parts of the Agreement hereof.

III. Value of the Services and Conditions of Settlement

- 3.1. The total value of the services is defined in accordance with the Annex No.1 (Price list) hereunder and amounts to ___ (___) GEL, ___ VAT (hereinafter referred to as the “Value of the Agreement”). Value of the Agreement shall include all the expenses of the Supplier.
- 3.2. Settlement shall be carried out in parts, according to each stage given in the price list, within the period of 8 (eight) working days after signing of the delivery-acceptance certificate and submission of the appropriate documentation (if Supplier is VAT payer – after presentation of the relevant Invoice).
- 3.3. If advance payment is required by the Supplier, the Purchaser shall pay to the Supplier the advance amount (at most 30% of the value of the Agreement) in case of submission of the bank guarantee for the appropriate amount by the Supplier, within 5 (five) business days after submission of the bank guarantee. In case if the Supplier is VAT Payer the appropriate documentation of Bank guarantee should be submitted within 2 (Two) business days after paying advance payment.
 - In case of resident Supplier, the bank guarantee shall be submitted from the bank licensed in Georgia. Validity of the bank guarantee shall exceed the validity of the agreement for at least 30 calendar days. ·
 - A non-resident Supplier shall submit the bank guarantee confirmed by JSC “TBC Bank” (bank code: TBCBGE22). Validity of the bank guarantee shall exceed the validity of the agreement for at least 30 calendar days. The form of the bank guarantee is uploaded in the State Procurement Electronic System together with the bidding documents.
- 3.4. Settlement shall be carried out by means of the non-cash settlement (via bank transfer).

IV. Rights and Liabilities of Parties

- 4.1. The Supplier shall be obliged to render the services for the Purchaser within ___ (___) months from signing the agreement, in accordance with the Annex No.1 (Price list) and Annex No.2 (Technical conditions), at the following address: _____
- 4.2. The Purchaser undertakes the liability to pay the price of the services to the Supplier in line with the terms and conditions of the Agreement hereof.
- 4.3. The Purchaser is entitled to demand complete information about the services from the Supplier.
- 4.4. The Supplier shall be obliged to notify the Purchaser about all the subcontracts concluded within the Agreement hereof and to submit the copies of the relevant contracts concluded with them.
- 4.5. None of the subcontract concluded under the Agreement hereof relieves the Supplier from material or other obligations specified in the Agreement. The final relations between the Purchaser and the Supplier is carried out in line with the terms and conditions of the Agreement hereof.

V. Performance Bond (Bank Guarantee)

- 5.1 The Purchaser shall use the performance bond, bank guarantee, in the amount of ---% of the price of the

Agreement, provided by the Supplier in following cases:

- a) The term of rendering the services is violated by the Supplier for more than 30 (thirty) calendar days;
 - b) The rendered services by the Supplier do not comply with the requirements as defined by the Agreement hereof.
- 5.2. In the cases stipulated by the paragraph 5.1, the Purchaser based on the bank guarantee shall unconditionally and irrevocably receive the entire guaranteed amount (-% of the price of the Agreement).
- 5.3. Application of the performance bond by the Purchaser does not exempt the Supplier from the liabilities stipulated in article VI of the Agreement hereof („Responsibilities of Parties”).

VI. Responsibilities of the Parties

- 6.1. In case of delay, incomplete delivery, delivery with defects due to the fault of the Supplier, the Supplier shall be liable to pay the penalty in amount of 0,1% of the value of the respective phase for each calendar day overdue till the day of the delivery of quality service or termination date of the Agreement, whichever period occurs earlier
- 6.2. In case of delay (delayed) of payment by „The Purchaser” „The Supplier” may request „the Purchaser” payment 0,1% of the unpaid amount for each day of delay till the termination date of the Agreement or fully payment day, whichever period occurs earlier.
- 6.3. In case of unilateral non-implementation of the liabilities imposed hereunder, the parties are liable to compensate the caused damage in full according to the rule set by the applicable legislation of Georgia. Compensation of the damage or its demand does not stop accrual of the penalties stipulated by the article hereof.
- 6.4 The Purchaser is authorized to deduct (to reduce payment by) accrued penalties and fines envisaged by this article and charged to the Supplier during payment of price of actually delivery goods. This deduction cannot be mentioned as a basis of penalty from the Supplier to the Purchaser according to the paragraph 6.2.

VII. Control over Implementation of the Agreement

- 7.1. The Purchaser or his representative has the right to implement control over the fulfillment of the Supplier’s obligations at any stage of the Agreement.
- 7.2. The control is carried out through compliance of the quality and provision terms of the services.
- 7.3. The Supplier shall be obliged to correct all the defects or faults revealed after such control at its own expense.
- 7.4. The control over implementation of the Agreement by the Purchaser is carried out by _____.

VIII. Delivery-Acceptance Procedure of Purchase Object

- 8.1. The delivery-acceptance certificate between the Supplier and the Purchaser shall be concluded in parts, based on the provided documents for each stage given in the price list .
- 8.2 The person(s) defined by the Purchaser according to the subparagraph 7.4 hereunder shall check the compliance of the services with the terms and conditions of this Agreement. In case of absence of defect, the delivery-acceptance certificate shall be concluded on the actually rendered services.
- .8. The services shall be considered as accepted upon signing of the delivery-acceptance certificate by and between the parties.

IX. Force-Majeure

- 9.1. Suspension of the terms and conditions of the Agreement or any of them due to incurring of the force-majeure circumstances shall not be considered as non-implementation or violation of the terms and conditions of the Agreement hereof and will not cause imposing of the penalty sanctions.
- 9.2. For the purposes of the article hereof, “Force-Majeure” means the circumstances insuperable for the parties and beyond their control or independent from the parties, which are not related to their errors and negligence and which bear the preliminarily unforeseen character. Such circumstances

might be caused due to war or natural calamities, epidemic, quarantine, imposing of embargo, etc. For sufficient certificate confirming existence of force-majeure, the parties agree upon to consider the appropriate certificate issued by the Chamber of Commerce and Industry of the relevant country.

- 9.3. In case of incurring of force-majeure circumstances, the contractual party, for which it becomes impossible to implement the undertaken liabilities, shall immediately send to the other party the written notification regarding such circumstances or their reasons. If the party sending the notification does not receive the written response from the other party, such party at its discretion, according to the appropriateness and the own capabilities continues to implement the liabilities undertaken due to the Agreement hereof and tries to find out such alternative ways for implementation of the liabilities, which would be independent from impact of the force-majeure circumstances.

X. Relations between the Parties

- 10.1. Any official relations between the contractual parties shall be implemented in writing. The written notification, which the party sends to the other in accordance with the Agreement, shall be sent in form of the mail notification, which shall be signed by the person authorized for management and/or representation. With the purpose to set the immediate and efficient contact, it is possible to send the notifications via e-mail (scanned version of the letter) or fax, with the conditions to deliver the original lately.
- 10.2. The notification enters into force on the day of its receipt by the addressee or the date set for validation of the notification, whichever incurs later.

XI. Modification of the Terms and Conditions of the Agreement and/or early Termination

- 11.1. Any modification and/or amendment to the Agreement hereof might be carried out on the basis of the written agreement by and between the parties.
- 11.2. The agreement might be terminated preliminarily in the following cases:
- 11.2.1. Upon agreement of the parties;
 - 11.2.2. With the statement of one of the parties in case of substantial violation of the terms and conditions of the Agreement hereof by the other party.
- 11.3. The Purchaser may terminate the agreement preliminarily in the following cases:
- 11.3.1. If it becomes known to the Purchaser that due to the reasons beyond the control of the latter, the Purchaser fails to provide implementation of the liabilities imposed hereof;
 - 11.3.2. In case of bankruptcy of the Supplier;
 - 11.3.3. If it becomes known to the Purchaser that the information submitted by the Supplier is false which is the basis for losing of confidence of the Purchaser.
 - 11.3.4. In other cases as stipulated by the applicable legislation of Georgia.
- 11.4. Modification of the terms and conditions of the procurement agreement is inadmissible, if as the result of such modifications the total value of the Agreement increases or the terms and conditions of the Agreement for the procuring entity are deteriorated, except for the cases stipulated by the Article 398 of the Civil Code of Georgia. Besides, the total value of the Agreement shall not increase by more than 10%.

XII. Interfering to Implementation of the Agreement

- 12.1. If during the process of implementation of the Agreement the parties face any impeding circumstances, due to which implementation of the terms and conditions of the Agreement is interfered, such party shall immediately send to the other party the written notification on fact of interfering, its possible duration and the reasons. The party receiving the notification shall communicate own decision made regarding the indicated circumstances to the other party as soon as possible.
- 12.2. In the event if due to interfering to implementation of the terms and conditions of the Agreement the parties agree upon to prolong the term for implementation of the terms and conditions of the agreement, such decision shall be concluded by means of introducing of the modifications into

the Agreement.

XIII. Settlement of Dispute

- 13.1. The contractual parties hereby agree upon to refer to all the efforts in order to settle all the disputes and the discrepancies incurred by and between the parties regarding the Agreement or the issues related to the Agreement via amicable negotiations.
- 13.2. If in the term of 30 (thirty) days after commencement of such negotiations the parties fail to agree upon the disputable issues, any party is entitled to solve the dispute by applying to the court according to the set rule.

XIV. Validity of the Agreement

- 14.1. The Agreement enters into force upon its signing by the parties and is valid until 201__, _____incl.

XV. Miscellaneous

- 15.1. The Agreement is drafted in Georgian and/or English language in two copies and each of them bears equal legal force.
- 15.2. In the cases not stipulated hereunder, the parties shall act in accordance with the applicable legislation of Georgia.
- 15.3. The terms and conditions stipulated by the Agreement hereof are binding and obligatory for implementation by the parties and their legal successors and assignees. It is inadmissible to assign the liabilities foreseen by the Agreement hereof to the other party without preliminary written consent by the other party.
- 15.4. The terms and conditions stipulated by the Agreement hereof are the confidential information and shall not be disclosed to the other party, except for the cases prescribed by the legislation.
- 15.5. The Agreement hereof is drawn in accordance to the subparagraph (p), paragraph first, article 3 of the Law of Georgia on State Procurement.

XVI. Requisites of the Parties

“Purchaser”

“Supplier”

**Annex No.1 of the Agreement
Price list**

**Annex No.2 of the Agreement
Technical Conditions**
