

**Contract on Procurement of goods and related services #**

This contract was formed on ----- 202----

On the one hand, **JSC "Georgian Railways"** represented by its ----- director -----, Address: st. Tbilisi, Tamar Mepe Avenue #15 (hereinafter - the Purchaser) and on the other hand, ----- represented by its Director -----, Address: ----- (hereinafter \_the supplier), we enter into this contract on the following:

2023 ----- was announced and ----- submitting of proposals has ended for the electronic procurement procedure (GEO-----) ----- regarding the procurement, in which the supplier's proposal was considered the winner, according to which the supplier undertook to supply the Purchaser with the attachment (- -----) according to the provided characteristics and corresponding quantity of goods and related services (hereinafter - goods). In accordance with the -----paragraph ----- part of the technical documentation, the contract is signed in US dollars by the National Bank of Georgia ----- (for the trading day of the electronic Procurement procedure) according to the official exchange rate of the established GEL to the US dollar (1 USD ----- GEL)

The total value of the contract without VAT amounts to \_ ----- US dollars, and including VAT ----- US dollars (hereinafter - the value of the contract). This Contract confirms the following:

1. The terms and expressions used in this Contract have the same meanings as they are assigned in the terms of the Agreement.
2. The documents listed below form this agreement and are an integral part of it, namely:
  - a) this Contract;
  - b) presented by the supplier -----;
  - c) Contract performance guarantee issued by JSC "-----" in -----.
  - d) extract from the unified electronic system of the State Procurement Agency of the State Procurement Agency on the progress of the electronic procurement procedure;
  - e) Annex on the administration of the contract;
  - f) extract from the website of the National Bank of Georgia about the official exchange rate of foreign currencies against GEL;
  - g) general conditions of the contract;
  - h) specific terms of the contract;
3. The supplier undertakes to fulfill the obligations in accordance with the terms of the contract.
4. The Purchaser undertakes to reimburse the supplier for the contract value in accordance with the terms of the contract.

In confirmation of all the above, the parties signed this agreement, in accordance with the legislation of Georgia, on the day and year specified at the beginning r of this document.

This Agreement shall enter into force from the date of its signing and shall be valid until the parties fully fulfill their obligations under the Agreement.

<b>"Purchaser"</b>
JSC "Georgian Railway"
Tbilisi, Tamar Mepe Avenue #15
I/C 202886010
JSC "Bank of Georgia"
Acc. No. GE09BG000000128695301
Bank code: BAGAGE22
Director

<b>"Supplier"</b>
-----
Address
I/C -----
JSC "-----"
Bank code:-----
Acc. No.: -----
Director

## General terms of the contract

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The general terms of the contract are a constituent part of the electronic procurement procedure documentation and the contract for the Procurement of goods. They are typical in nature and should be used to the extent appropriate for a particular Procurement.

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### 1. Definitions of terms used

#### **The terms used in the Agreement have the following meanings:**

- 1.1 "About the Procurement of **goods**" (hereinafter referred to as "Contract") - the Contract concluded between the procuring organization and the winning bidder in the electronic procedure, signed by the parties, with all documents attached to it, and also with all the documentation to which there are references in the Contract.
- 1.2 "Contract value" means the total amount that must be paid by the purchasing organization for the full and meticulous fulfillment of the obligations assumed by the supplier /unless otherwise stipulated by the contract/;
- 1.3 "Procuring Organization" (hereinafter "Purchaser") means the organization (institution) that carries out the Procurement;
- 1.4 "Supplier" means the person who won the tender and provides the goods within the scope of the given contract on state procurement;
- 1.5 "Day", "week", "month" means calendar day, week, month.

#### **2. Standards**

The goods delivered under the contract must comply with the standards specified in the technical conditions.

#### **3. Patent rights**

- 3.1 When using the goods or any of its parts, it is the responsibility of the supplier to resolve any disputes or material responsibilities related to the violation of patent rights, as well as the use of trademarks or manufactured goods.

#### **4. Control of the execution of the contract**

- 4.1 The Purchaser or his representatives have the right to carry out technical control and/or test the goods to ensure their compliance with the technical conditions stipulated in the contract. The specific conditions of the contract and/or technical conditions should specify what kind of inspections and tests the purchaser needs and where they should be carried out. The Purchaser shall notify the Supplier in writing and in a timely manner of its representatives designated for these purposes.
- 4.2 The supplier is obliged to provide the Purchaser with the necessary personnel, technical means and other working conditions for conducting control (inspection) with his own resources. In case the Purchaser uses his own or invited personnel for the purpose of control (inspection), the Purchaser will provide his labor remuneration.
- 4.3 The supplier is obliged, at his own expense, to ensure the elimination of all defects or defects revealed as a result of control (inspection), to replace defective goods and to cover the cost of test samples damaged as a result of control (inspection).
- 4.4 None of the clauses of this article relieves the supplier of the warranty or other obligations of the given contract.

#### **5. Packaging**

- 5.1. The supplier must ensure that the goods are packaged in such a way as to protect them from damage or deterioration during transportation to the destination specified in the price table. The packaging must withstand intense lifting and handling, extreme temperatures during handling, sodium and precipitation, as well as outdoor storage.
- 5.2. The type of packaging, the dimensions and weight of each box, its marking and accompanying documents must comply with the special requirements defined by the Purchaser.

**6. Terms of delivery of goods:**

6.1. The goods are delivered by the supplier in accordance with the goods delivery schedule. Detailed information on transportation and the separation of rights and obligations related to it is included in the specific conditions of the contract.

6.2. The documents that must be presented by the supplier when reloading the goods are specified in the specific conditions of the contract.

**7. Insurance (if this mechanism is used)**

7.1. The supplier is obliged to ensure the Procurement object and/or its parts (separate elements, equipment and other means of production, property, etc.) in accordance with the requirements specified in the specific conditions of the contract.

**8. Accompanying Services**

8.1. The supplier is obliged to provide the Purchaser with the accompanying services provided for in the specific terms of the contract, which are related to the delivery of goods and/or the further operation of the purchase object.

8.2. The cost of accompanying services is included in the contract price.

**9. Spare Parts**

9.1 The Purchaser can request from the supplier the following information about the spare parts produced or sold by him:

(a) the nomenclature and cost of spare parts that the purchaser may purchase from the supplier to use after the warranty period has expired;

(b) in case of cessation of production of spare parts by the supplier:

1. must inform the Purchaser in advance about the expected stoppage of production in order to enable him to make the necessary purchases in the required quantity;

2. If necessary, after the cessation of production, to provide the Purchaser with plans, drawings and technical documentation of spare parts free of charge.

**10. The procedure for receiving and handing over the object of purchase**

10.1 The object of purchase or its part (stage) will be considered accepted only after signing the act of acceptance, unless otherwise stipulated by the specific terms of the contract.

10.2 The place, terms, stages and manner of acceptance and final inspection of the Procurement object are outlined in the specific conditions of the contract.

10.3 The supplier shall ensure elimination of the defect or defect identified as a result of acceptance and/or final inspection of the Procurement object (its part, stage) at its own expense.

10.4 The Purchaser is obliged to promptly, in writing, notify the supplier of the results of the final inspection, indicating the number of defective goods and the reason for the defects.

**11. Warranty**

11.1 The supplier guarantees that the delivered goods, in case of compliance with the norms of its operation, will not show defects.

11.2 The term of this warranty is determined by the specific terms of the contract.

11.3 The supplier is obliged to repair or replace the defective goods or its part immediately after receiving the notice without incurring any additional costs on the part of the Purchaser.

11.4 In the event of non-fulfilment of this obligation by the supplier during the warranty period, the Purchaser has the right to take measures to correct the defects arising during the operation of the goods and to request the supplier to reimburse the relevant costs or to deduct this amount from the amount payable to the supplier according to the contract.

**12. Settlement**

12.1 The settlement with the supplier shall be made in the form and time specified in the specific conditions of the contract based on the written request of the supplier.

12.2 The supplier's written request for settlement must be accompanied by the documentation specified in the specific terms of the contract.

**13. Settlement Currency**

13.1 Settlement with the supplier will be made in GEL (if the supplier is a resident of Georgia).

13.2. The settlement will be made in the settlement currency specified in the tender documentation at the rate determined in relation to its GEL.

#### **14. Price**

- 14.1. The prices indicated by the Purchaser in the contract for the supply of goods and related services should not exceed the prices indicated by the supplier in electronic trading.
- 14.2. Changing the prices specified in the contract is allowed only if such a thing is provided for in the specific conditions of the contract.
- 14.3 It is not allowed to change the terms of the contract, if as a result of this change the total value of the contract increases or the terms of the contract worsen for the procuring organization, except for the cases established by Article 398 of the Civil Code of Georgia.
- 14.4. In case of occurrence of the conditions stipulated by Article 398 of the Civil Code of Georgia, it is not allowed to increase the total value of the initially concluded contract by more than 10%.

#### **15. Making changes to the contract**

- 15.1 No deviation or modification of the terms of this Agreement shall be permitted except in writing signed by both parties.
- 15.2 If due to any unforeseen reasons there is a need to change the terms of the agreement, the initiator of making changes is obliged to notify the other party in writing of the relevant information.
- 15.3 Any changes resulting in an increase in the price of the contract or deterioration of conditions for the Purchaser are not permitted except for the cases provided for in Article 398 of the Civil Code of Georgia.
- 15.4 Any changes to the terms of the agreement must be signed in the form of an attachment to the agreement, which will be considered an integral part of the agreement.

#### **16. Transferring Rights**

- 16.1. It is not allowed to replace the supplier in the contract, except for the cases stipulated by the legislation of Georgia (merger of the organization, division, etc.).

#### **17. Delay in execution of the contract**

- 17.1. If, during the execution of the contract, the parties encounter any impeding circumstances, due to which the fulfillment of the terms of the contract is delayed, this party must immediately send a written notification to the other party about the fact of the delay, its possible duration and the causes. The receiving party shall inform the other party as soon as possible of its decision regarding the said circumstances.
- 17.2. In the event that due to the delay in the fulfillment of the terms of the contract, the parties agree on the extension of the term of the fulfillment of the terms of the contract, this decision must be signed by making an amendment to the contract.

#### **18. Guarantee of the execution of the contract**

- 18.1. The guarantee provided by the supplier for the purpose of ensuring the execution of the contract is used to compensate for any losses incurred by the Purchaser due to non-fulfillment or incomplete execution of the terms of the contract by the supplier. The list of circumstances, the occurrence of which will lead to non-return of the guarantee for the supplier, and due to the occurrence of the mentioned circumstances, in order to compensate the loss caused to the Purchaser, the procedure for using the guarantee amount is defined in the specific conditions of the contract.
- 18.2. After the supplier fully fulfills the obligations under the contract, the Purchaser is obliged to return the guarantee of the execution of the contract to the supplier.
- 18.3. In case of termination of the contract due to reasons independent of the supplier, the purchasing organization is obliged to return the guarantee of the execution of the contract upon the supplier's request.

#### **19. Failure to comply with the terms of the contract**

- 19.1. In addition to the force majeure conditions, in case of non-fulfillment and/or late fulfillment of the terms of the contract by the supplier, fine sanctions are applied, the form, amount, terms of implementation and payment terms are defined in the specific conditions of the contract.
- 19.2. Payment of fines does not exempt the supplier from fulfilling the main obligations.

#### **20. Termination of the Agreement due to non-fulfillment of its terms**

- 20.1. The Purchaser may terminate the contract completely or partially, after notifying the supplier in writing of non-fulfillment of obligations:
  - (a) if the supplier is unable to deliver all or part of the goods within the terms stipulated in the contract or extended by the Purchaser;

(b) if the Supplier is unable to perform any of its obligations under the Agreement.

20.2. Termination of the individual terms of the contract does not release the supplier from fulfilling the remaining obligations.

20.3. The Purchaser can also make a decision to terminate the contract:

- a) if it becomes known to the Purchaser that due to reasons beyond his control, he cannot ensure the fulfillment of obligations under the contract;
- b) in case of bankruptcy of the supplier;
- c) if it becomes known to him that the documents confirming the qualification data of the supplier turn out to be false;
- d) in other cases provided for by the legislation of Georgia.

20.4. In the cases specified in paragraph 3 of this article, the Purchaser is obliged to compensate the supplier for the value of the goods actually received.

### **21. Force majeure**

21.1. Non-fulfillment of the terms of the contract by any party to the contract shall not result in the application of fine sanctions and non-return of the contract execution guarantee, if the delay in the execution of the contract or non-fulfillment of its obligations is the result of force majeure circumstances.

21.2. For the purposes of this Article, "Force Majeure" means circumstances insurmountable to the parties and beyond their control, which are not related to the errors and negligence of the Purchaser and/or supplier and which have an unforeseen character. Such a situation can be caused by war, natural events, epidemic, quarantine and embargo on the supply of goods, sharp reduction of budget allocations and others.

21.3. In the event of force majeure circumstances, the contracting party, for which it becomes impossible to fulfill the obligations, must immediately send a written notification to the other party about such circumstances and their causes. If the sending party does not receive a written response from the other party, it continues to fulfill its obligations under the agreement at its discretion, expediency and ability and tries to find alternative ways of fulfilling its obligations that will be independent of the influence of force majeure circumstances.

### **22. Resolution of Disputed Issues**

22.1. The Purchaser and the Supplier shall use their best efforts to amicably resolve through direct informal negotiations all disagreements and disputes arising between them regarding the Contract or any other component related thereto.

22.2. If within 30 (thirty) days from the beginning of such negotiations, the Purchaser and the supplier are unable to resolve the disputed issue by agreement, any party may apply to the court of Georgia for the purpose of resolving the dispute, unless otherwise stipulated in the specific conditions of the contract.

### **23. Applicable Legislation**

23.1. The contract is concluded in accordance with the legislation of Georgia and will be interpreted according to the legislation of Georgia.

### **24. Contract Language**

24.1. The contract must be written in Georgian. If the other party to the contract is a representative of a foreign country, then the second copy is translated into a language acceptable to the supplier. The contract written in the Georgian language is decisive in the interpretation. All written negotiations and other documentation exchanged between the parties in connection with the Agreement shall be in accordance with these Terms.

### **25. Notification**

25.1. Any notice that one party sends to the other party under this Agreement shall be sent by letter, telegram, telex or facsimile, with the original being submitted, to the other party's address specified in the Agreement.

25.2. The notice shall take effect on the date of its receipt by the addressee or on the date set for the effective date of the notice, whichever is later.

### **26. Taxes and Taxation**

26.1. The foreign supplier is responsible for the payment of all taxes, fees and other charges related to the production and delivery of the deliverables, which are payable within Georgia and outside of it.

26.2. The local supplier is responsible for the payment of taxes, fees and other charges established by the legislation of Georgia, unless otherwise stipulated by the specific terms of the contract.

### Specific terms of the contract

Specific terms of the contract will be developed by the procuring organization. The basis for its preparation is the general terms of the contract and the Purchaser's requirements, according to which the relevant goods/services must be supplied. The purpose of the specific conditions of the contract is to concretize the conditions specific to each Procurement, to supplement and specify the general conditions of the contract. In case of inconsistency between the specific and general terms of the contract, the relevant clauses of the specific terms shall prevail.

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1. The parties to the contract are: the Purchaser \_ JSC "Georgian Railways" represented by its ----- director ----- Address: st. Tbilisi, Tamar Mepe Avenue #15. Supplier \_ -----, represented by -----, address: st. Tbilisi, -----

#### 2. Control of the execution of the Contract.

2.1 The control of the execution of the contract by the Purchaser will be carried out periodically, in accordance with the request of the Purchaser.

#### 3. Conditions and terms of delivery of goods/services

3.1 Goods will be delivered to the Purchaser under DDP conditions.

3.2 The recipient of the products is: JSC "Georgian Railway".

3.3 The supplier is obliged to deliver the goods and related services from the signing of this contract -----; Fulfilling supplying can be achieved via several deliveries

3.4 The supplier will deliver the goods to the following address: -----

3.5 The goods must be accompanied by a bill of lading, -----

3.6. The supplier must provide the Purchaser with data on the unloaded goods, their quantity, location, and weight within one day and night after the goods are unloaded. Responsibility for all costs incurred as a result of late receipt or non-receipt of said documentation by the Purchaser rests with the supplier.

3.7. The administrator of the contract was defined as: -----

#### 4. The procedure for receiving and handing over the object of Procurement

4.1. The goods are considered to be received by the Purchaser and delivered by the supplier as a result of signing the act of acceptance-delivery, which consists and is confirmed by the signatures of the authorized representatives of the Purchaser and the supplier, in accordance with the goods actually delivered.

4.1.1. The person authorized to sign the acceptance-delivery act(s) on the part of the Purchaser is -----

4.2. When drawing up the acceptance-handover act, the supplier is obliged to present to the Purchaser the invoice and ----- and 3 (three) Tax invoice within working days.

4.3. The act of acceptance-delivery shall be signed in four copies, three copies of which shall be given to the Purchaser, and one to the supplier.

#### 5. Warranty

5.1 The supplier guarantees that the goods and related services supplied by Supplier comply with the requirements stipulated in the contract.

5.2 The supplier undertakes to eliminate the damage caused by the poor quality of the delivered goods at his own expense.

5.3 The Purchaser has the right to submit a claim regarding the quality and quantity, the supplier is obliged to satisfy the submitted claim and replace the defective goods with his own funds.

## **6. Settlement**

6.1 Form of payment: non-cash consignment.

6.2 Settlement currency: in the national currency, according to the official exchange rate of GEL to the US dollar established by the National Bank of Georgia on the day of signing the act of acceptance.

6.3 The settlement with the supplier will be made within 20 (twenty) banking days after drawing up the act of acceptance between the parties.

In addition, settlement with a different condition is allowed, only if the supplier, after presenting the documents required for the settlement provided for in the contract, applies to JSC "Georgian Railways" and submits a written request (Attachment N8) about settlement with a different condition. A different conditional settlement means the following:

- Y The Purchaser reserves the right to make the payment within 10 (ten) banking days from the date of receipt of the supplier's written request (meaning the date of registration in the company's office);
- Y The amount requested by the supplier should not be less than 10,000 (ten thousand) GEL including VAT;
- Y In less time (10 banking days from the supplier's written request), the supplier will be charged a fee of 1.73% of the part requested by the supplier from the amount to be paid determined by the reimbursement request (prepared by the Purchaser) and will be reflected as useful additional income for the company.

6.4. Documents required for settlement are:

- acceptance-delivery act (Original);
- Bill of lading
- Tax invoice.

6.5. Based on the request of the Purchaser and/or the supplier, before the final settlement, the parties draw up a mutual agreement.

## **6. Mechanism for ensuring the execution of the contract:**

### **[In case of presentation of a guarantee issued by a banking institution] Guarantee of contract execution**

7.1. In order to avoid the risk arising from the failure of the supplier to fulfill the contract for the Procurement of goods, an unconditional and unclaimable bank guarantee for the execution of the contract issued by a bank institution agreed in advance with the Purchaser will be used in the amount of 5% of the contract value, which must be presented in US dollars and The term of validity of which must be 50 (fifty) calendar days longer than the final term of delivery of goods and services stipulated in clause 3.3.

7.2. After the supplier fully and properly fulfills the obligations assumed by the contract within the period established by clause 3.3 of the specific conditions of this contract, the Purchaser will return the guarantee of the execution of the contract to the supplier.

7.3. In case of termination of the contract by the supplier or due to it at any stage and/or non-fulfillment of obligations under the contract, incomplete or untimely execution, as well as if the Purchaser can assume that the contract will not/cannot be fulfilled by the supplier, the Purchaser will not return the guarantee of ensuring the execution of the contract to the supplier and will use it unconditionally.

**[In the case of depositing money to the relevant account of the "Purchaser" in order to ensure the execution of the contract]**

- 7.1. In order to avoid the risk arising from the failure of the supplier to fulfill the contract for the Procurement of goods, in order to ensure the execution of the contract, the "supplier" undertakes to deposit an amount of 5% of the contract value (without VAT) into the bank account of the Purchaser (hereinafter referred to as "security amount"), which will be calculated in national currency according to the official exchange rate established by the National Bank of Georgia on the day of completion of the transfer operation by the bank. The deposit of the "Guarantee Amount" will be made by bank transfer to the following bank account of the Purchaser:
- 7.2. Central branch of JSC TBC Bank, code: TBCBGE22, account number GE 79 TB 7659 1340 7010 0005 GEL, and a non-resident person in US dollars to the following account INTERMEDIARY BANK – CITI BANK N.A., N.Y., USA; SWIFT: CITIUS33 BENEFICIARY BANK JSC “TBC Bank” Head Office and Marjanishvili Branch SWIFT: TBCBGE22 №7 Marjanishvili, Tbilisi, Georgia, www.tbcbank.ge Phone: (995 32) 27-27-27, Fax: (995 32) 772 -774 SWIFT: TBCBGE22850 BEN'S ACCOUNT: GE11TB1100000112070112 NAME OF BENEFICIARY: JSC “GEORGIAN RAILWAY”.
- 7.3. After the supplier fully and properly fulfills the obligations under the contract within the period established by clause 3.3 of the specific conditions of the present contract, the Purchaser, through non-cash settlement, after signing the final acceptance-delivery act between the parties, from the date of the written request of the supplier (means the date of registration of the request in the Chancellery of JSC "Georgian Railways") 10 Within ten (10) banking days, shall return to the supplier the "Guarantee amount" in national currency according to the official exchange rate established by the National Bank of Georgia on the day of the transfer (return).
- 7.4. In case of termination of this contract by the "supplier" at any stage and/or non-fulfilment of the obligations under the contract, incomplete or untimely execution, as well as if the Purchaser can assume that the contract will not/cannot be fulfilled by the supplier, the Purchaser will not return to the supplier the "Guarantee amount and will use unconditionally.

**8. Penalty [In case of presentation of a guarantee issued by a banking institution in order to ensure the execution of the contract]**

- 8.1. In case of exceeding the deadlines for the fulfillment of obligations under the agreement, the Purchaser is entitled to use the bank guarantee provided for in clause 7.1 of this agreement and additionally, for each day of delay, the supplier shall be liable for breach of contract value (without VAT) in the amount of 0.1%, which will be calculated in US in dollars and requested (reimbursed) will be in Georgian Lari on the day of signing the acceptance-delivery act, or in the absence of such, on the day of termination of the contract by the Purchaser according to the official exchange rate of the Lari to the US dollar established by the National Bank of Georgia. In addition, the penalty being imposed will be stopped after the amount charged reaches 5% of the total value of the contract (without VAT).
- 8.2. In the event that the total amount of penalty imposed for exceeding the deadlines exceeds 3% of the contract value (without VAT), the Purchaser has the right to terminate the contract.
- 8.3. In case of termination of the contract by the supplier, the supplier shall be liable for damages in the amount of 5% of the contract value (excluding VAT), unless the guarantee provided for in clause 7.1 of this contract has been used by the supplier due to the termination of the contract. If the guarantee provided for in Clause 7.1 of this Agreement was used on the basis of other prerequisites provided for in Clause 7.4.; the Supplier, in case of termination of the Agreement by him, shall be charged with the penalty stipulated in this clause. The Penalty fee will be calculated in US dollars and will be requested (reimbursed) in Georgian Lari according to the official exchange rate of the Lari to the US dollar set by the National Bank of Georgia on the day of termination of the contract.
- 8.4. The maximum limit amount of damages stipulated in the contract, which can be charged to the supplier, is no more than 5% of the contract value (without VAT).
- 8.5. In the case of the supplier's failure to fulfill the obligations under the contract, the calculation of the penalty will be carried out in accordance with this article and will be deducted from the amount(s) payable to the supplier by the Purchaser.



**8. Penalty [In the case of depositing money to the relevant account of the "Purchaser" in order to ensure the execution of the contract]**

- 8.1. In case of exceeding the deadlines for the fulfillment of obligations under the agreement, the Purchaser is entitled to use deposit provided in clause 7.1 of this agreement and additionally, for each day of delay, the supplier shall be liable for breach of contract value (without VAT) in the amount of 0.1%, which will be calculated in US in dollars and requested (reimbursed) will be in Georgian Lari on the day of signing the acceptance-delivery act, or in the absence of such, on the day of termination of the contract by the Purchaser according to the official exchange rate of the Lari to the US dollar established by the National Bank of Georgia. In addition, the penalty being imposed will be stopped after the amount charged reaches 5% of the total value of the contract (without VAT).
- 8.2. In the event that the total amount of penalty imposed for exceeding the deadlines exceeds 3% of the contract value (without VAT), the Purchaser has the right to terminate the contract.
- 8.3. In case of termination of the contract by the supplier, the supplier shall be liable for damages in the amount of 5% of the contract value (excluding VAT), unless the depositing money provided for in clause 7.1 of this contract has been used by the supplier due to the termination of the contract. If the depositing money provided for in Clause 7.1 of this Agreement was used on the basis of other prerequisites provided for in Clause 7.4.; the Supplier, in case of termination of the Agreement by him, shall be charged with the penalty stipulated in this clause. The Penalty fee will be calculated in US dollars and will be requested (reimbursed) in Georgian Lari according to the official exchange rate of the Lari to the US dollar set by the National Bank of Georgia on the day of termination of the contract.
- 8.4. The maximum limit amount of damages stipulated in the contract, which can be charged to the supplier, is no more than 5% of the contract value (without VAT).
- 8.5. In the case of the supplier's failure to fulfill the obligations under the contract, the calculation of the penalty will be carried out in accordance with this article and will be deducted from the amount(s) payable to the supplier by the Purchaser.