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NORTON ROSE FULBRIGHT

27 January 2015

Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ
United Kingdom

For the attention of Irma Kavtaradze

Ministry of Economy and Sustainable
Development of Georgia
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Your reference **Our reference**

Dear Sirs,

Anaklia Deep Water Port Project: Advice on the draft investment agreement and its annexes

Thank you for your instructions in relation to this matter.

I am now writing to set out the basis on which we have agreed that the Contracting Party (and, where appropriate, other constituent parts of Norton Rose Fulbright) will provide advice to the Ministry of Economy and Sustainable Development of Georgia (the **MoESD**), in respect of the Anaklia Deep Water Port Project and to give you certain information required by our professional body, the Solicitors Regulation Authority of England and Wales. In consequence, these terms of engagement include provisions which might not all appear to be immediately relevant, but which I am required to draw to your attention under the relevant regulations.

I annex a copy of the Standard Terms of Engagement of Norton Rose Fulbright and Additional Terms relevant to this office, both of which are to be treated as included in this letter.

1 Scope of work

- 1.1 The scope of work which we have agreed to undertake and the assumptions on which it is based are set out in the Schedule to this letter.
- 1.2 Save as otherwise agreed, we will be advising and acting at all times in respect of English law only and are not responsible for advising you as to the effect or enforceability of any documents or matters which may be subject to or governed by the laws of any other jurisdiction.
- 1.3 Our solicitor/client relationship is with, and our duty of care is owed to you. All advice provided by us (or any other constituent part of Norton Rose Group) relates to this matter only and is for the benefit of you alone. Unless we agree otherwise in writing, our advice does not extend to, and may not be relied upon by third parties, including your directors and employees in their private capacity.
- 1.4 We will be authorised to take instructions from Irma Kavtaradze of MoESD and other persons you specify (although day-to-day instructions may be given to us by others within the MoESD) and to assume that they are all properly authorised to give those instructions on behalf of MoESD.

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2 Our team

- 2.1 I will be the responsible partner for this matter and the names of our other key team members are set out below:

Name	Position
Andrew Buisson	Partner
Angelica Phillips	Partner
David Carter	Associate

- 2.2 In addition, we will involve other associates, trainees and paralegals, if required, in a manner which avoids, so far as feasible, duplication of effort.
- 2.3 We always aim to avoid changing members of our team, but, if this is not possible, we will inform you promptly of the change and the reasons for it. We will use legal staff of an appropriate level of seniority for the work concerned.
- 2.4 You will have access to other specialists within Norton Rose Fulbright LLP, if required. Such specialists shall only be used for work which is outside the scope of this agreement with your prior consent.

3 Fees, costs and disbursements

- 3.1 Our fixed fee for the scope of work set out in the Schedule will be subject to an overall maximum of USD \$30,000 (exclusive of VAT, costs and disbursements). This fixed fee is based on the assumptions set out in the Schedule and if we are required to work outside the scope of work or those assumptions, the fixed fee may be exceeded. This fixed fee includes two people from Norton Rose Fulbright attending a two day meeting in Tbilisi.
- 3.2 In addition, we will charge any out of pocket costs and disbursements (which includes the cost of travel and accommodation) in accordance with our normal policy (which is available on request), subject to a cap of USD\$3,000.

4 Invoicing and reporting

- 4.1 We will invoice you on 20 February 2015.
- 4.2 Our invoice will provide a breakdown of time spent by each lawyer, together with costs and disbursements incurred.
- 4.3 Payment of bills must be received within 30 days from the date of receipt and we may withhold our services and cease to act if we do not receive payment of any given bill within that time.
- 4.4 We will report to you at regular intervals on the progress of the matter. We are always able to provide a report on request.
- 4.5 We will keep you informed of any unexpected delays or complications on the matter or major changes in the nature or extent of the work being undertaken by us.

5 Responsibility for advice and services

- 5.1 Norton Rose Group is an international legal practice which carries on business through its separate constituent parts in a number of jurisdictions. In each jurisdiction, clients contract with a specific constituent part of Norton Rose Group and that constituent part alone is responsible

for providing advice or services to that client and no other constituent part of Norton Rose Group has any responsibility for such advice or services. Some constituent parts of Norton Rose Group have limited liability, among them Norton Rose Fulbright LLP. The name of any constituent part of Norton Rose Group providing advice or services from any jurisdiction is available on request. In relation to the matter subject of this letter, you are contracting with Norton Rose Fulbright LLP only.

- 5.2 Advice and services under this letter will be provided by Norton Rose Fulbright LLP (or by another constituent part of Norton Rose Group to which work is referred by Norton Rose Fulbright LLP) but only Norton Rose Fulbright LLP (as the Contracting Party) is responsible for the provision of such advice or services. No other constituent part of Norton Rose Group nor any individual who is a member, partner, shareholder, employee or consultant of, in or to Norton Rose Fulbright LLP or any other constituent part of Norton Rose Group accepts or assumes responsibility, or has any liability, to you or any third party for advice or services provided under or pursuant to these terms of engagement.
- 5.3 The term "partner" is a title and individuals described as "partners" are members, partners or shareholders, or employees or consultants with equivalent seniority of, in or to Norton Rose Fulbright LLP or another constituent part of Norton Rose Group.

6 Limitation of liability

- 6.1 Without prejudice to the provisions of paragraph 5 of the Additional Terms of Engagement - London:
- (a) irrespective of which constituent part of Norton Rose Fulbright provides advice or services under or pursuant to this letter, our aggregate liability to you, including liability for legal and other fees, costs and disbursements, in respect of all claims relating to this matter is limited to the amount which is paid out under our professional indemnity insurance policy in respect of the claim concerned plus the amount of the excess under such policy; and
 - (b) there shall be no liability in respect of any such claim unless you give us written notice of the claim, stating in reasonable detail the nature of the claim and your best estimate of the amount claimed by you.
- 6.2 I draw your attention in particular to paragraph 2 of the Standard Terms of Engagement and to certain exclusions of, and limitations on, our liability which are principally to be found in paragraph 5 of the Additional Terms of Engagement - London. These terms, as far as relevant, will apply to this engagement.

I trust that you will find these terms of engagement to be satisfactory. I should be grateful if you would please counter-sign and return to us the enclosed duplicate copy of this letter in order to indicate your acknowledgement of, and agreement to, these terms of engagement.

Yours faithfully



Chris Brown

Partner
Norton Rose Fulbright LLP

For and on behalf of Ministry of Economy and Sustainable Development of Georgia.

We agree to the terms of your letter dated _____ of which the above is a copy.

Signed:

Print name and position:

Dated:



[Handwritten signature]
Dimitry Kumsis, Deputy Minister

27 January, 2015.

[Handwritten signature]

Schedule 1

Scope of Work and Assumptions

The scope of the work which we would undertake is as follows:

1. Work on the finalisation of the draft investment agreement and its annexes, including but not limited to:
 - (a) providing clarification and recommendations on the main terms/issues of the initial draft investment agreement and its annexes;
 - (b) discuss and finalise the investment agreement with the MoESD; and
 - (c) provide feedback and clarifications on questions, comments and concerns of the MOESD related to the provisions of the investment agreement draft, based on best practice.

Assumptions:

1. Our work is completed by 20 February 2015.
2. MoESD will provide input either itself or by procuring third party experts to complete any technical parts of the investment agreement and its annexes.