

AGREEMENT N1/59-2015

This agreement is made on April 1, 2015 by and between

United Airports Georgia LLC(registered office: Airport, Airport Settlement, Samgori district, Tbilisi, Georgia; identification code: 404389693) (hereinafter referred to as the “Purchaser”), represented by the Firts Deputy Director Teimuraz Chkhaidze, on the one hand,

And

Dechert Georgia Ltd (address: Pixel Building, 34 Chavchavadze ave. 7th Floor, code: 404423147) represented by Nicola Mariani, (hereinafter shortly referred to as “the Supplier”), on the other hand,

Acting in accordance with the procurement opportunity based on the Law on State Procurement, art. 10¹. part.3sec.D, and Decree N 413 of the Government of Georgia, dated March 5, 2015 Conclude the present Contract/Agreement on the following:

1. Subject of the Agreement

1.1 The subject of the Agreement is procurement of Legal Services for United Airports Georgia LLC as specified in the Annex 1 of this Agreement, CPV [79100000].

2. The Agreement Price

2.1. The total price of the Agreement is USD 52, 215 (fifty two thousand two hundred fifteen) (exclusive of out-of-pocket expenses), from which USD 44, 250 (forty four thousand two hundred fifty) is net professional Fee and USD 7, 965 (seven thousand nine hundred sixty five) is VAT.

2.2. The payment shall be made monthly via bank transfer 30 days after delivering the bill.

3. General Terms

3.1. The Agreement enters into force from the date of signing by the both Parties and is valid till 31 July, 2015.

3.2. Annex 1 constitutes an integral part of the Agreement.

3.3. Inspection and control over the performance of the Agreement obligations shall be held by Ana Uberi Senior Lawyer at “United Airports of Georgia” LLC.

3.4. Each change, addition and Annex in the present Agreement must be made in the written form. It enters into force as soon as it is signed and becomes the inseparable part of the Agreement.

3.5. Any amendment to this Agreement is valid only when being made in writing and signed by the parties. The documents can be signed and transmitted by fax or e-mails (scanned version) and in that case they have the validity of the original. The amendments to this Agreement are not allowed if they result in increase of the total agreement price or worsening of the Purchaser’s conditions. In cases foreseen by the article 398 of the Civil Code of Georgia, the initial total agreement price shall not be increased by more than 10%.

3.6. Each Party represents and warrants that (a) the person executing this Agreement has the right, power and authority to execute documents and to contractually bind the executing Party; (b) it has received all necessary permits and approvals necessary to provide or use the Works; and (c) it has complied with and does comply with all laws, regulations, orders and statutes which may be applicable to the Party.

3.7. Parties agree that those relations, which are not regulated by the present Agreement, must be regulated according to the legislation of Georgia.

3.8. The Agreement is executed in two English language counterparts with the equal juridical power and one of which is given to the parties.

Legal addresses and bank details of the parties

Purchaser

United Airports of Georgia LLC
Legal Address: Airport, Samgori District, Tbilisi, Georgia
Identification Code: 404389693
GEL Account:
JSC "TBC Bank"
Bank Code: TBCBGE22
Name of Beneficiary:
United Airports Georgia LTD
Ben's Account:
GE47 TB06 1553 6070 1000 01/GEL

Supplier

Dechert Georgia LLC
Legal Address: Pixel Building, 34 Chavchavadze ave. 7th Floor, Tbilisi, Georgia
Identification Code:404423147
GEL Account:
JSC "TBC Bank"
Bank Code: TBCBGE22
Name of Beneficiary:
Dechert Georgia LLC
Ben's Account:
GE40 TB70 3333 6020 1000 08



Teimuraz Chkheidze
First Deputy Director

United Airports of Georgia LLC



Nicola Mariani
Legal Representative

Dechert Georgia LLC

Dechert Georgia LLC

Pixel Building, 7th Floor
34 Chavchavadze Avenue
0179 Tbilisi
Georgia
+995 322 20 24 20 Main
www.dechert.com

LLC United Airports of Georgia
Tbilisi International Airport
Tbilisi 0158
Georgia

Attention: Teimuraz Chkhaidze
First Deputy Director

LOUISE ROMAN BERNSTEIN

Partner

louise.romanbernstein@dechert.com
+ 44 20 7184 7300 Direct

NICOLA MARIANI

Partner

nicola.mariani@dechert.com
+995 32 220 6633 Direct
+ 995 577 18 33 00 Mobile

31 March 2015

PRIVATE AND CONFIDENTIAL

Engagement Letter

Dear Teimuraz:

Your instructions

We are pleased that you have asked Dechert Georgia LLC, a legal entity organized and incorporated under the laws of Georgia with the identification code 404423147 (the “**Firm**”, “**we**” and “**our**”), to advise LLC United Airports of Georgia (“**UAG**”, “**you**” and “**your**”) in relation to the various developments in your ongoing relationship with TAV (the “**Matter**”).

This letter records the scope of our engagement and contains information about costs, personnel and other aspects of that engagement. In addition, when read in conjunction with our Terms of Engagement as set out in Annex A to this letter, it establishes the terms of business that will apply generally to any services rendered by us to you.

From whom we will take instructions

We will receive our instructions from Kate Aleksidze, Irakli Nasidze and Ana Uberi and we will assume, unless and until notified to the contrary, that Kate Aleksidze, Irakli Nasidze and Ana Uberi are authorized by UAG to instruct us in relation to all aspects of our work.

Scope of Work

As discussed, the following legal monitoring should be undertaken:

- Follow-up, discussions & negotiations with TAV; and
- Correspondence with TAV to ensure that any failure or breach by TAV is documented.

- Follow-up the implementation process of the Restated BOT
- Review of the Batumi Airport Share Management Agreement.
- Drafting Lease Agreement for the Batumi Airport Terminal.
- Follow-up the implementation process of the Lease Agreement.
- Participate and follow-up in the discussions regarding Advance Tax Ruling at the Revenue Service.

Our Team

Dechert's international resident partner, Nicola Mariani and national partner, Archil Giorgadze (who is duly qualified in Georgian law), will have overall responsibility for this matter. Archil Giorgadze will monitor and supervise all work streams. We will be assisted by other lawyers and personnel based in our Tbilisi office. Rest assured that partner, Nicola Mariani, will always be there for strategic discussions and overall guidance as well as any meeting with TAV in Istanbul, Tbilisi or other locations.

Fees

Considering the scope of work, we are willing to provide you with a monthly rate of USD 14,750 (excluding VAT and other expenses) based on a minimum of 50 hours of work per month for the next three (3) months spent on matters covered by this Agreement. In other words, you will be billed a total of USD 44, 250 plus VAT for the next three (3) months for work performed by any Dechert Georgia partner or associate. The monthly retainer is based on a minimum of 50 billable hours per month from April 01, 2015 to June 30, 2015.

If in the case of discrepancies of +/- 20% in the hours billed, we will bill you for 50 hours per month.

If in any month the work is likely to be beyond the 60 hours threshold, we will give you a written notification in advance on the work to be carried out and provide you with an estimate of the extra cost (always applying the USD 295 blended rate) and shall carry out said work after obtaining your written consent on continuing the provision of the services in the given month.

If in any month the work is less than 50 hours, the unused hours will be forwarded as credit hours to the next month. After the six months or in case of it's termination, parties agree mutually to make a balance statement where credits and debits of hours shall be offset against each other. However if after the offset there will be on surplus of hours on side of UAG, UAG may use them beyond the five month period of this engagement. Or if there will remain additional hours worked UAG will compensate Dechert.

Out-of pocket Expenses and VAT

We will charge you separately for our out-of-pocket expenses at cost and for VAT. Such expenses shall be reimbursed after delivering the respective documentation including but not limited to the following documents: invoice, checks, receipts, etc. Following receipt of payment for our invoices, we will be responsible for payment and declaration of VAT to the relevant Georgian government authorities.

Purpose / Use of advice

Our advice is for your benefit only and will be given in the context of the matters covered by the scope of our engagement. You should not rely on it in any other context. If you want to disclose our advice to any third party or refer to it, please let me know in advance so we can decide whether we can agree to this and, if so, on what basis.

Regularity of billing

We intend to deliver bills, containing a summary of work carried out and time spent during the period in question on a monthly basis or termination of this Agreement. Each of our bills will be rendered in arrears and will be due and payable 30 days after its date. Each bill will include all charges and out-of-pocket expenses (to the extent then settled with us) up to the date indicated in the relevant bill and will clearly specify the period to which they relate and what they cover.

Termination

UAG may terminate this engagement at any time. In the case of termination, UAG will only be billed for the accrued fees up to the time of termination.

Limitation of our liability

Our maximum liability to you in relation to this matter howsoever arising will not exceed £3 million.

We also draw your attention to the limitations of liability in our Terms of Engagement attached as an appendix to this letter, particularly where you have agreed an exclusion or limitation of liability with another professional adviser acting for you on the matter.

Complaints

If you are unhappy about any aspect of the service you have received, or about the bill, please contact me. Our Terms of Engagement contain more information on this subject, including your options if you are not satisfied with our handling of your complaint.

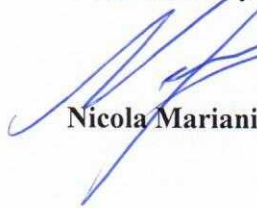
Publicity


We are often asked, in a marketing context, to identify our clients. Unless you let us know to the contrary, we will assume that this letter authorises us to identify you as a client of this firm in brochures, on our website and in other written materials prepared for the purpose of marketing this firm's services.

We are delighted to have the opportunity to work with you on this matter. If you have any questions about the terms of our engagement, please do not hesitate to call me on +995 32 220 6639.

For the record, I should be grateful if you would counter-sign and return to me a copy of this letter.

Yours sincerely


Nicola Mariani



I accept the terms set out above and the accompanying terms of engagement.

Signature 

Name: **Teimuraz Chkhaidze**



Date

For and on behalf of LLC United Airports of Georgia

Dechert

GEORGIA LLC

ANNEX A - DECHERT GEORGIA LLC TERMS OF ENGAGEMENT

Introduction

This Appendix explains the terms upon which we provide our service and outlines the steps you should take if, for any reason, you are dissatisfied with the service we provide.

Please note that your relationship is with Dechert Georgia LLC, and not directly with any individual partner. When we refer to "a partner" or "partners" of Dechert, this indicates a partner or national partner of Dechert LLP, the parent company of Dechert Georgia LLC.

Governing Law and Jurisdiction

This agreement and our relationship is governed by and interpreted in accordance with Georgian Law. A claim may only be brought against us (in contract, tort or otherwise) if it can be brought in Georgian law without reference to the law of any other country. You agree that the courts of Georgia shall have exclusive jurisdiction over any claim you make against us arising out of or in connection with this agreement (including non-contractual claims). This will apply notwithstanding that all or part of our advice may be given to you from or in relation to another jurisdiction, except to the extent that local law in that other jurisdiction cannot be overridden. You agree that the aforementioned provisions do not preclude us from bringing proceedings against you, whether concurrently or otherwise, in any other court of competent jurisdiction (including for the recovery of our fees).

Payment of fees

In certain cases, and particularly when litigation is involved or when we may need to incur substantial expense on your behalf, we may require you to provide a payment on account of the costs and disbursements anticipated in the following weeks or months. We will account to you for interest we earn on any such funds at more than a nominal rate until we render a bill or the expense is incurred. We will request prior written authorization before incurring any expenses.

If for any reason a matter is not completed, a charge will be made in respect of the work we have done, unless otherwise agreed with you.

Unpaid bills

It is a condition of our retainer that all bills, interim and final, are paid promptly. If a bill is rendered and not paid within one month, we reserve the right to terminate our retainer on this and any other matters on which we are acting for you, on giving reasonable notice to you. We may also charge reasonable interest and recovery costs on the outstanding amount.

Exclusions and Limitations on our Liability

Proportional liability

There is a risk that we will be prejudiced by any limitation or exclusion of liability which you agree with any other person (for example, another adviser) in connection with a matter in which we are advising you. This is because such a limitation or exclusion of liability might also operate to limit the amount which we could recover from that other person by way of contribution if we were required to pay you more than our proper share of the liability. Accordingly, in order that our position is not adversely affected by any limitation or exclusion of another person's liability, you agree that we will not be liable to you for any amount which we would have been able to recover from the other person by way of indemnity, contribution or otherwise but are unable to recover because you agreed, or are treated as having agreed, with them any limitation or exclusion on their liability.

Third party liability

If you start proceedings against us for loss or damage and there is another person (for example, another adviser) who is liable (or potentially liable) to you in respect of the same loss or damage, then you will (if we so request) join them into the proceedings. This is subject to any legal prohibition against your joining them in that way.

No claim against individual employees/partners

You accept that we have an interest in limiting the personal liability and exposure to litigation of employees, consultants and partners and that we are a limited liability entity. Accordingly, in instructing us, you agree that you will not bring any claim personally against any individual employee, consultant or partner in respect of Losses, which you suffer or incur, directly or indirectly, in connection with our services. The provisions of this paragraph will not limit or exclude the firm's liability for the acts or omissions of our employees, consultants or partners.

The provisions of the above paragraph are intended for the benefit of our employees, consultants and partners, but the terms of our engagement may be varied without the consent of all or any of those persons.

Limitation on exclusions

The above exclusions and limitations will not operate to exclude or limit any liability for fraud or reckless disregard of professional obligations or liabilities, which cannot lawfully be limited or excluded.

Documents and Other Papers

We will retain your papers during the period of our representation or a transaction and afterwards while there is any money owing to us. After completion of the representation or transaction, we will, if you wish, send your papers to you. Alternatively, we will retain them in

our possession for an appropriate period, after which we will have the right, in our discretion, to dispose of any such papers as we see fit.

We will take care of your agreements, documents and other papers as long as they remain in our possession. However, should any of them be lost or damaged as a result of events beyond our reasonable control, we will not be liable for their replacement or for any resultant loss. Notes of meetings are taken for our own use and remain our property at all times.

E-Mail

We shall assume that you are agreeable to our communicating with you by e-mail unless you advise us to the contrary. Please bear in mind that such communications may not always be confidential and that privilege may be lost as a result. Our e-mails to you will not be encrypted.

We make reasonable attempts to exclude from our e-mails any virus or other defect that might harm a computer or IT system. However, it is your responsibility to put in place measures to protect your computer or IT system, and we do not accept liability for any loss or damage that may arise from the receipt or use of electronic communications sent by us in good faith.

Your Contribution

We will need information and instructions from you to do our work. If you are able to provide these quickly, we will be able to do our job more efficiently and cost-effectively.

We will expect you to comply with any applicable statutory and other legal requirements, including those relating to money-laundering.

In contentious issues, you are required to take particular care about the accuracy and speed of your instructions. You or a director, senior officer or manager will have to verify the truth of your case. You will also be required to sign a retainer letter detailing your contribution.

Your Concerns

If Dechert's service falls short of your expectations, please tell the partners responsible for the provision of services to you as set forth in the Engagement Letter or any other Dechert partner, who will deal promptly with your concerns. We will make every attempt to ensure that the complaint is resolved to your satisfaction. Your right to make a complaint includes a complaint about the firm's bill.

Affiliates and Other Third Parties

For the purposes of our engagement, our client is only the entity designated in our engagement letter and not any other affiliates (whether shareholders, parent, subsidiaries, partners, members, directors, officers or otherwise). Accordingly, for conflict of interest purposes, we may represent another client with interests adverse to your affiliates.

Our engagement for you does not create any rights in or liabilities to any third party.

Termination of Services

Our lawyer-client relationship will be considered terminated upon our completion of the specific services that you have retained us to perform or, if open-ended services are to be provided, when more than six months have elapsed from the last time you requested, and we furnished, any billable services to you.

The fact that we may inform you from time to time of developments in the law which may be of interest to you, by newsletter or otherwise, should not be understood as a revival of a lawyer-client relationship. We have no obligation to inform you of such developments in the law unless we are specifically engaged to do so.

Financial Services

We are not authorised to provide investment advice. If, while we are acting for you, you need advice on investments, we may have to refer you to someone who is authorised to provide the necessary advice. However, we may provide certain limited investment advice services where these are closely linked to the legal work we are doing for you.

Our role in any transaction is that of legal advisor and it is not part of our function to give advice on the merits of any transaction in investments. When providing our services, we will assume that you have decided or will decide to negotiate or enter into any such transaction solely on the advice you may receive from a person the relevant expertise or authorisation. No communication from us is intended or should be construed as an invitation or inducement to you or to anyone else to engage in investment activity.

Money Laundering

Legislation requires solicitors to take various steps to guard against money laundering. We will need the registry of your corporate identity (Dhabi Group Georgia LLC). This may be necessary even though the firm has acted for you before.

We do not accept funds in cash. If you were to circumvent this policy by depositing cash direct with our bank, we reserve the right to charge for any additional checks we deem necessary regarding the source of the funds.

We may be obliged to report information about possible money laundering and terrorist financing to the authorities, notwithstanding our normal duty of confidentiality. If we have to make a report, we may not be able to tell you that we have done so, because the applicable law may prohibit "tipping off". Where the law permits, we will tell you about any potential money laundering problem and explain what actions may be necessary.

Professional Indemnity Insurance

Dechert Georgia LLC and Dechert internationally are covered by professional indemnity insurance. Further information about the insurance cover we have in place, the contact details

of our insurer and the territorial coverage for that insurance may be obtained from the partners responsible for the provision of services to you as set forth in the Engagement Letter.

Dechert Georgia LLC is a limited liability company registered in Tbilisi, Georgia with the identification code 404423147. The registered address is the Pixel Building, 7th Floor, 34 Chavchavadze Avenue, 0179 Tbilisi, Georgia. A list of names of the shareholders of Dechert Georgia LLC is available for inspection at the above office.

Dechert internationally is a combination of limited liability partnerships and other entities registered in different jurisdictions. Dechert has offices in Belgium, China, France, Georgia, Germany, Kazakhstan, Luxembourg, Russia, the UK, the United Arab Emirates, and the U.S. The partners of Dechert are Georgian or foreign-qualified lawyers.