**Purchase Agreement N**

This Purchase Agreement (hereinafter **“Agreement”**) is made on \_\_\_February 2021 in Tbilisi between the Parties:

**----------** Identification Number: ----- (hereinafter **“Seller”**) presented by the Director ------------, and

**“------------------** Identification Number: ------------ (hereinafter **“Buyer”**), presented by the General Director -------------

(Seller and Buyer jointly referred to as **Parties**, and individually as a **Party**).

**Article 1. Subject of the “Contract”**

* 1. By the following “Contract” „Seller“ sells and the „Byer“ buys the goods indicated in the Appendix N1 of the following „Contract“ (hereinafter„ Goods“) and agrees to pay the compensation to the “Seller” in exchange for the „Goods” received in accordance with the terms of the same “Contract”.
  2. The Appendix N1 is enclosed to the following “Contract” and is an integral part of it.

**Article 2. Goods Delivery**

* 1. Goods shall be delivered in bulk/partially within 10 (ten) calendar days from the buyers notification, to the following

address: N7 Tskalsadeni Street, Tbilisi.

2.2 If following the signing of this Agreement, prior to the delivery of the Goods, the Seller is unable to deliver Goods to the Buyer within the agreed term, the Seller must immediately notify the Buyer and agree new date for the delivery of the Goods and/or part of the Goods, but if the Parties fail to agree the new date, this Agreement shall be considered terminated.

* 1. Goods shall be considered delivered only upon the Parties sign and Act of Delivery-and-Acceptance and approve the invoice. Only upon these terms is the risk of accidental damage and/or loss of the Goods transferred to the Buyer.
  2. Parties must sign and Act of Delivery-and-Acceptance within 5 (five) business days from the delivery. If the Buyer detects any faults prior to the mutual signature, the Seller must ensure remediation at its own expense.

**Article 3. Purchase Price**

3.1 Total price of this Agreement is **------------** USD (------------------) (hereinafter “Purchase Price”).

3.2 Purchase Price of the delivered Goods includes all costs and fees of the Seller, as well as VAT and transportation cost, if available.

**Article 4. Payment**

* 1. Payment between the Parties is made in the national currency, in accordance with the official exchange rate established by the National Bank of Georgia on the day of the Payment, by wire transfer payment, no later than 30 (thirty) calendar days after the delivery of the goods and execution of the relevant Delivery and Acceptance act or/and confirmation of the Delivery Note.

**Article 5. Rights and Responsibilities of the Parties**

The Seller:

* 1. Seller undertakes the responsibility to ensure delivery of the Goods to the Buyer and installation in accordance with the terms provided in this Agreement.
  2. Seller shall transfer Goods free of material and legal faults and all the documents related to these Goods. In the event of absence of the prior written agreement between the Parties concerning the quality of the Goods, the Seller must provide the Buyer with Goods in the following conditions: a) Goods must be an item of civil consumption and fit for ordinary use; and b) Goods should not have any properties, occurrence of which shall result in its damage (break-down), destruction, depreciation, devaluation, loss of value or impairment for the further use.
  3. If within the warranty term of the Goods, or in the absence of such, within the reasonable time from transferring the Goods to the Buyer, material faults are detected, upon the written or verbal request of the Buyer, within the reasonable term and at its own expense the Seller must: a) correct the material faults, but in the event of generic fault, replace it, b) reduce the Purchase Price with the amount required for the correction of the fault (the cost of the fault correction is determined by the Buyer) and/or c) compensate the Buyer for the incurred costs and damage (loss).

The Buyer has a right to:

* 1. To refuse acceptance of the Goods if the Seller delivered less Goods than provided in this Agreement and to unilaterally terminate this Agreement or accept such Goods and proportionally reduce the payable Purchase Price. The amount of reduced payable Purchase Price is determined by the Buyer and the provided data shall be treated as qualified information and/or document and shall not be disputed by the Seller;
  2. If the quantity of the Goods exceeds the quantity provided in this Agreement – accept the named quantity and proportionally increase the payable Purchase Price or accept only the quantity provided in this Agreement, and return the excess at the Seller’s expense. The amount of the increased payable Purchase Price is determined by the Buyer and the provided data shall be treated as qualified information and/or document and shall not be disputed by the Seller;
  3. If within the warranty period pf the Goods, and in the absence of such term, within the reasonable time after transferring the Goods to the Buyer, material faults are detected, the Buyer has a right to request from Seller verbally or in writing to ensure within reasonable time and at its own cost: a) correction of the material faults, but in the event of generic fault, replacement of the Goods; b) Reduction of the Purchase Price with the amount required for the correction of the fault (the cost of the fault correction is determined by the Buyer) and/or c) compensation for the incurred costs and damage (loss) to the Buyer.
  4. Buyer is entitled to refuse acceptance of the provided installation service if he considers that provided service does not meet the requirements and is fulfilled incompletely.
  5. Buyer must: Pay the Seller the Purchase Price of the delivered Goods in accordance with the terms provided in Articles 3 and 4 of this Agreement.

**Article 6. Quality and Warranty Term**

* 1. The quality of the "product" delivered shall comply with the requirements and standards set for this particular "product". It must be possible to use the “product” for the purpose of its procurement.
  2. The Seller warrants that, for a period of 10 (ten) years from the date of delivery (the “Warranty Period”) (Warranty period doesn’t cover the bituminous coating), the Goods shall conform in all material respects with the description and specification set forth in Annex 1 hereto and be free from material defects in design, material and workmanship.
  3. If the Buyer gives notice in writing to the Seller during the Warranty Period, within 7 (seven) calendar days of discovery that some or all of the Goods do not comply with the warranties set out in clause 6.1 the Seller shall, at its option, repair or replace any Goods that are found to be defective, or refund the Purchase Price of such defective Goods in full, not late than 7 working days. Also, the Seller, on the basis of the written request of the Buyer, shall reimburse the damages caused to the Buyer by use of defective Goods, including but not limited to the costs borne by the Buyer for the repair works arising out of or in connection with the defective Goods. If the Seller delays repair or replace the Goods, the Buyer shall be entitled to repair or replace the Goods at its own expense, and request the Seller to reimburse such expenses as well as the damages caused to the Buyer by the delay of the Seller.
  4. The Seller shall not be liable for Goods' failure to comply with the warranties set out in clause 6.2 if:

A) the defect arises because the Buyer failed to follow the Seller's written instructions as to the storage, commissioning, installation, use and maintenance of the Goods or (if there are none) good trade practice regarding the same;

B) the defect arises as a result of fair wear and tear, willful damage, negligence, or abnormal storage or working conditions.

**Article 7. Liability of the Parties**

* 1. In the event of non-fulfilment or improper fulfilment of the responsibilities provided in this Agreement, the Parties shall be held liable in accordance with the terms of this Agreement and under Georgian legislation.
  2. In the event of delaying fulfilment of the obligations taken with this Agreement, the Buyer is entitled to impose the penalty in the amount of 0.5% of the specific “order” value for each day of delay on the Seller.
  3. In the event of delaying the transfer of the Purchase Price provided in this Agreement the Seller is entitled to impose a penalty in the amount of 0.5% of the payable Purchase Price for each day of delay.
  4. In the event of violation of the terms of this Agreement by the Parties, the payment of the fine does not exempt the Parties from the fulfilment of the obligation taken under this Agreement.
  5. By signing this Agreement, the Seller recognizes and confirms that if within the term of this Agreement the Seller shall have to pay any penalty and/or fine to the Buyer, the Buyer is entitled to deduct such penalty and/or fine from the payable Purchase Price.

**Article 8. Term and termination of the Agreement**

* 1. This Agreement enters into force from the date of signing by the Parties and is valid until the complete fulfilment of the obligations undertaken by the Parties.
  2. Amendments and/or changes to this Agreements may be made only in writing with the signature of the authorized representatives of the Parties.
  3. This Agreement may be terminated prior to its expiry:

(a) In the event of circumstances provided in Article 2.2 of this Agreement;

(b) Immediately by the Seller if the Buyer substantially violates the obligations provided in this Agreement and despite of receiving written demands (notice) for the correction of the breach, does not remedy such breach within the term specified in the same demand (notice);

(c) Immediately by the Buyer, if the Seller violated any of the obligations or terms provided in this Agreement and despite of receiving written demands (notice) for the correction of the breach, does not remedy such breach within the term specified in the same demand (notice);

(d) Any time, without any justification, upon the written notice sent by the Buyer to the Seller at least 7 (seven) calendar days in advance; or

(e) By mutual agreement of the Parties.

* 1. If the Seller terminates the Agreement in the time when the Buyer is deprived of the opportunities of pursuing its interests otherwise, the Seller shall indemnify the Buyer for the for the damage caused by the termination of the Agreement, except for the cases when the Seller had substantial grounds for doing so.
  2. Parties agree that in the event of termination of the Agreement the Seller shall be paid only the Purchase Price of the Goods actually delivered before the termination of the Agreement, which should eb confirmed with the Act of Delivery-and-Acceptance and/or invoice signed by the Parties. Moreover, damage/loss (direct or indirect, material or non-material, actual or unaccepted earning and/or other) caused by the termination of the Agreement by the Buyer is not indemnified for and the Buyer refuses in advance, irrevocably and unconditionally to claim compensation for the damages/loss direct or indirect, material or non-material, actual or unaccepted earning and/or other), in the event of such.

**Article 9. Force Majeure**

* 1. The Parties are released from the liabilities for the non-fulfillment or delayed fulfilment of the responsibilities taken with this Agreement, if such failure is caused by force majeure (hereinafter “Force Majeure”).
  2. For the purpose of this Agreement, Force Majeure includes, but is not limited to: war, riot, civil unrest, earthquake, fire, explosion, storm, flood or other natural disaster, as well as other actions and inactions of the state authorities, which are beyond the reasonable control of the Parties and the emergence of which makes fulfilment of the obligations provided in this Agreement impossible.
  3. Party impacted by the Force Majeure must notify the other Party in the shortest term, but not later than 5 (five) calendar days after the emergence of the Force Majeure giving a proper description of the events and their consequences.
  4. In the event of Force Majeure, the term for the fulfilment of the responsibilities taken by the Parties shall be postponed until the end/elimination of such Force Majeure.
  5. If Force Majeure lasts for more than 45 (forty-five) calendar days in a row, each Party is entitled to terminate the Agreement on the basis of the written notice sent to the other Party, without imposing the liability for such termination.

**Article 10. Governing Law and Dispute Resolution**

* 1. This Agreement is governed with the Georgian legislation and interpreted accordingly.
  2. Any disputes between the Parties related to this Agreement shall be solved amicably. If the Parties are unable to reach an agreement, the dispute shall be passed to the courts of Georgia of the respective jurisdiction.

**Article 11. Final Clauses**

* 1. Any amendments/changes to this Agreement enter into force only after the Parties sign respective written agreement.
  2. The invalidity of any provisions of this Agreement shall not invalidate any other provision(s) and/or the Agreement in its integrity. Such clause shall be used instead of the void provision that makes achievement of the purpose of this Agreement easier (including the void provision).
  3. Parties confirm to be aware of the essence of this Agreement, that it expresses the free will of the Parties and that they have expressed their free will in result of reasonable judgement of the Agreement content.
  4. This Agreement is made in two copies having equal legal force, one for the Seller and another for the Buyer. In case of discrepancy between these texts, the Georgian text shall prevail.

**12. Signatures of the Parties:**

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| --- | --- |
| **“Seller”**  -------------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ -------------------  Director | “**BUYER**”  -------------------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  --------------------------  General Director |

**Contract of Sale N**

**Appendix** **N1**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| N | **Product Name** | **Dimension/ Unit** | **Quantity** | **Unit Price including VAT (USD)** | **Total Price including VAT (USD)** |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
|
|  | | | | |  |

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| --- | --- |
| **“Seller”**  “---------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  -----------------  Director | **“Buyer”**  --------------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  ---------------------------  General Director |

**Appendix N1**

|  |  |
| --- | --- |
| **“Seller”**  ----------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  ---------------------  Director | **“Buyer”**  ----------------------  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  -----------------------  General Director |