

## Minutes of Contract Negotiation

This minute of Contract negotiations is signed on **May 20, 2020** between the Ministry of Internally Displaced Persons, Labour, Health and Social Affairs (hereinafter called the “Client”) on the one hand and MDS LTD (hereinafter called the “Contractor”) on the other hand.

The Contract negotiations for the supply of “**Mobile Emergency Ventilators**” under Contract No COVID19/G/DC-03 took place virtually at Webex.

### Attendees of the negotiation:

Client	Position
Tinatin Khardziani	Acting Head of Administration
Beka Jakeli	Head of Financial-Economics Department
Tamar Shalamberidze	Acting Head of Procurement Division
Amiran Gogitidze	Head of Medical and Call Management Department of the LEPL Emergency Situations Coordination and Urgent Medical Assistance Center
Maia Nikoleishvili	Acting Head of International Relations and Protocol Division of Administration
Tamar Tsenteradze	Procurement Consultant (HEIS)
Nino Ramishvili	World Bank Procurement Specialist (Observer)
Contractor	Position
Nika Bulia	Director
Davit Chachiashvili	General Manager
Salome Zarandia	Lawyer

### Issues discussed:

1. Shipping and other documents to be provided – the contractor explained that a weigh bill, invoice and packing list will be provided on acceptance of the goods (at final destination) for more convenience; The client agreed to the proposal.

2. Contract Price – the contract price is fixed to US\$ 313,476 payable in USD through Direct Payment System; Contractor does not charge for in-land transportation and related services, therefore the total price is the same as CIP.
3. Payment Terms – Thirty (30) percent of advance payment will be paid within ten (10) days of signing of the Contract and upon submission of claim and a bank demand guarantee, in the form provided in the request for invitation for direct contracting, for equivalent amount valid until the Goods are delivered and in the form of Advance Payment Security provided in the request for invitation for direct contracting. The remaining amount should be paid by installment according the following terms:
  - (i) 1<sup>st</sup> payment upon delivery of the first batch, against invoice (in the amount of total price of delivered goods) and interim acceptance certificate, 10% of the advance payment recovered; payable within 15 days of submission of claim.
  - (ii) 2<sup>nd</sup> payment upon delivery of the second batch, against invoice (in the amount of total price of delivered goods) and interim acceptance certificate, 10% of the advance payment recovered; payable within 15 days of submission of claim.
  - (iii) 3<sup>rd</sup> Payment upon delivery of the third batch, against invoice (in the amount of total price of delivered goods), final acceptance certificate, 10% of advance payment recovered/or anything pending on advance payment recovered.
4. Taxes and duties – there are no related custom duties or other taxes in the country.
5. Technical Specifications – the client confirmed the compliance of the offer to the requirements.
6. Tests and inspections – the goods will be inspected on the delivery for the quantity and physical condition. The client might modify delivery place (final destination). The contractor agreed to deliver at required place within Georgia without price adjustment.
7. Insurance – the in-land transportation including insurance will be covered by the contractor at its own cost.
8. Delivery Dates – Considering the unforeseen circumstances of transport movement during the pandemic, the parties have agreed to extend delivery dates for 10 days in order to meet contract conditions in case of unexpected event. Therefore, Contract Term #18.1 will be modified as follow:

“The Delivery Date of the Goods shall be:

Period-1: From 16.06.2020 to 03.07.2020;

Period-2: From 30.06.2020 to 17.07.2020;

Period-3: From 12.08.2020 - to 30.08.2020.”
9. Liquidated Damages – the contractor confirmed that any damaged goods will be replaced within 30 days from the client’s notice.

10. Delivery of related services – the parties agreed that online training will be conducted upon delivery of first batch of the goods.
11. It was agreed that: The offer will be valid till the June 18, 2020.

These Minutes of the Contract Negotiations represents an integral part of the Contract COVID19/G/DC-03.

The parties expressed their gratitude towards the meeting participants for their assistance and concluded the meeting.

Signed by:

For the Employer:	For the Consultant:
<b>Giorgi Tsotskolauri – Deputy Minister</b>	<b>Nika Bulia – Director of MDS LTD</b>