

MEMORANDUM
Of
UNDERSTANDING

Between

THE GOVERNMENT OF GEORGIA

LLC “Hydro Development Company”

JSC “ELECTRICITY SYSTEM COMMERCIAL OPERATOR”

DATE: 11 February

TBILISI, GEORGIA

The present Memorandum of Understanding (hereinafter referred to as the “MOU”) is signed by and between the following parties:

The Government of Georgia (hereinafter referred to as “GOG”) represented by the Minister of Energy of Georgia Mr. Kakha Kaladze;

LLC “Hydro Development Company” – (hereinafter referred to as “Company”) - ID Code: 400023728, represented by Director Platon Pkhaladze;

JSC “Electricity System Commercial Operator” (hereinafter referred to as “ESCO”) - ID Code: 205170036, represented by General Director Mr. Vakhtang Ambokadze;

The parties sign the present MOU on the following:

DEFINITIONS

1. The following defined terms shall be used in the present MOU:
 - 1.1 “Agreement” means the Agreement that shall be signed by the Principal Parties for the purpose of starting the Construction Phase and is defined by the Annex 4 of the MOU.
 - 1.2 “Applicable Law” means all Georgian laws, ordinances, decisions, statutes, rules, regulations, orders, resolutions, specifications and decrees of any governmental authority having jurisdiction over the Parties, the Facilities, Project or the Parties’ obligations under this MOU as the same may be modified, amended or repealed from time to time, including any requirements of or deriving from any permit obtained for the Facilities.
 - 1.3 “Bank Guarantee” means Preconstruction Security and/or Construction Security.
 - 1.4 “BOO” means Build, Own, Operate i.e. the exclusive right to design, construct, finance, own, implement, operate and maintain Facility for indefinite term.
 - 1.5 “Commencement of Operation” means the commencement of operation based on relevant permit based on Applicable Law and the capability of the relevant Facility to generate electricity.
 - 1.6 “Construction Phase” means, the time period starting from the date of signing the Agreement until the actual date of Commencement of Operation of each Facility under which the Company is obliged to implement construction activities, but no later than the term of Construction Phase defined by the Annex 3 of the MOU.
 - 1.7 “Construction Security” means bank guarantee provided by the Company for the purpose of securing the fulfillment of its obligations under Construction Phase.
 - 1.8 “Day/Days” means any Gregorian calendar day(s).

- 1.9 "Effective Date" means the date of signing of the MOU by the Parties.
- 1.10 "Electricity (Power) Balance" means the annual energy balance, approved by the relevant entity according to Applicable Law.
- 1.11 "Facility" means the cascade of hydro power plants as defined by the Annex 1 of this MOU.
- 1.12 "Feasibility Study" means the study/report to be prepared by the Company for the Facility, which shall include (but not be limited to) all documents and/or data and/or information defined by the Annex 2 of the MOU and which confirms whether or not the Facility is technically, economically, financially and legally feasible and can be completed within the time period set under this MOU.
- 1.13 "Generation License" means the document to be issued by the Georgian National Energy and Water Regulatory Commission ("GNEWRC") according to Applicable Law that confirms the right of the Company for the generation of electricity of Facility, for indefinite time.
- 1.14 "Guaranteed Power Purchase Agreement" means the direct agreement(s) that shall be signed between the Company and ESCO in accordance with the MOU.
- 1.15 "Investment Costs" means the costs including but not limited to, construction costs, operating costs, development costs and other costs related to the Project up to the date of termination of the MOU.
- 1.16 "Ministry" means the Ministry of Energy of Georgia.
- 1.17 "Parties" means GOG, Company and ESCO jointly.
- 1.18 "Preconstruction Phase" means the time period starting on Effective Date of the MOU until the date of commencement of Construction Phase of the Project under which the Company is obliged to implement preconstruction activities, but no later than the term of Preconstruction Phase defined by the Annex 3 of the MOU unless otherwise provided herein or agreed by the Principal Parties.
- 1.19 "Preconstruction Security" means the bank guarantee provided by the Company for the purpose of securing of fulfillment of Company's obligations under Preconstruction Phase.
- 1.20 "Principal Parties" means the GOG and the Company.
- 1.21 "Project" means implementation of feasibility study, environmental and social impact assessment, construction and operation of the Facility defined by the Annex 1 of the MOU on BOO basis.
- 1.22 "Site" means site where the Facility will be constructed and operated in accordance with the MOU.
- 1.23 "State" means State of Georgia.

- 1.24 **“Technical Parameters of the Facility”** means the location, river elevation, installed capacity and annual production of the relevant Facility as provided in Annex 1 of the MOU.

PURPOSE OF THE MOU

2. The purpose of the MOU is the implementation of the Project by the Company on BOO basis under the Applicable Law and the terms and conditions set out herein.

PRECONSTRUCTION PHASE

3. Preconstruction Phase starts on the Effective Date of the MOU and ends on the date of commencement of Construction Phase.
4. The Company within the Preconstruction Phase in accordance with the terms and conditions defined by the Annexes 1, 2 and 3 of the MOU is obliged to:
- 4.1 Locate and determine the lands necessary and/or affected for the implementation of the Project;
 - 4.2 Conduct the full Feasibility Study for the Facility according to the schedule defined by the Annex 2 (within the Technical Parameters of the Facility) of the MOU, finalize the Feasibility Report for the Facility and present it to the Ministry;
 - 4.3 Finalize the environmental and social impact assessment report for the Facility, and present it to the Ministry of Environment and Natural Resources Protection of Georgia and to the Ministry;
 - 4.4 Conduct the relevant public hearings defined by the Applicable Law for the Facility and present the results to the Ministry of Environment and Natural Resources Protection of Georgia and to the Ministry;
 - 4.5 Submit the proposal to the GOG on construction and operation of relevant Facility on BOO basis within the Technical Parameters of the Facility defined by the Annex 1 of the MOU.
5. Should the Company, as a result of implementing the obligations defined by Articles 4.1, 4.1, 4.3, 4.4 and 4.5 of the MOU decide to construct and operate the Facility on BOO basis, it shall present the GOG a proposal within the time frame defined by Annex 2 of the MOU and it shall include the following:
- 5.1 Company’s decision on construction and operation of the Facility on BOO basis;
 - 5.2 Full technical parameters, including capacity and annual generation of the Facility;
 - 5.3 Exact location coordinates of the Facility and elevations of the river;
 - 5.4 Approximate investments required for implementation of the Facility;
 - 5.5 Feasibility Study of the Facility;

- 5.6 Environmental and social impact assessment report (including the results of relevant public hearings defined by the Applicable Law).
6. If according to the results of the Feasibility Study and/or environmental and social impact assessment report, the construction and operation of the Facility is technically and/or economically unfeasible for the Company, the Company shall have the right not to implement the Facility and shall deliver the notification of such decision to the GOG before submission of the proposal in accordance with Article 5 of the MOU. In this case the GOG releases the existing amount under Bank Guarantee, unless it has been already collected prior to such date, in accordance with this MOU.
 7. The GOG within 3 (three) months after receiving the proposal of the Company shall discuss the issue of construction and operation of the Facility, and make a decision. This decision shall only be based on environmental and social impact assessment report and/or the results of relevant public hearings defined by the Applicable Law. If the decision of the GOG is positive, the Principal Parties shall sign the Agreement within 1 (One) month following the date of notification of GOG's decision to the Company. In case of GOG's negative decision, the GOG shall return the remaining Preconstruction Security (unless otherwise collected by the GOG) within 30 (thirty) days.
 8. Preconstruction Security.
 - 8.1 For the purpose of securing the fulfillment of obligations of the Company under the Preconstruction Phase for the Facility including Feasibility Study and environmental and social impact assessment report, the Company has provided to the GOG a Bank Guarantee in an amount of 203,000.00 (two hundred and three thousand) USD. The Preconstruction Security provided by the Company shall remain in force until the date falling 2 (two) months after the date of Commencement of Construction Phase.
 - 8.2 The GOG is entitled to redeem the above mentioned Preconstruction Security, claim and receive the full or partial amount under the Bank Guarantee in following cases and under the following conditions:
 - a) If the Company violates the relevant schedule defined by the Annex 2 of the MOU for more than 15 (fifteen) days in total, the GOG shall be entitled to redeem 50 (fifty) % of the Preconstruction Security;
 - b) If the Company violates the relevant schedule defined by the Annex 2 of the MOU for more than 30 (thirty) days in total, the GOG shall be entitled to redeem the full amount of Preconstruction Security;

CONSTRUCTION PHASE

9. Construction Phase starts on the date of signing of the Agreement as in the Annex 4 of the MOU and ends on the actual date of Commencement of Operation of the Facility.
10. The Company within the Construction Phase is obliged to:
 - 10.1 Obtain the relevant rights for the lands necessary and/or affected for the implementation of the Project;
 - 10.2 Commence construction works based on construction permit of the Facility according to the Applicable Law within the time frame defined by the Annex 3 of the MOU.
 - 10.3 Construct the Facility according to the Technical Parameters and ensure Commencement of Operation of the Facility within the time frame defined by the Annex 3 of the MOU.
 - 10.4 Ensure necessary funds for effective implementation of the Project.
 - 10.5 Ensure the construction in accordance with the security and environmental and other standards defined by the Applicable Law;
 - 10.6 Ensure, at its own expense, the full and free access of the representatives of GOG, Ministry, Ministry of Environment and Natural Resources Protection of Georgia and/or any entitled GOG entity for the purpose of monitoring the construction process.
 - 10.7 If requested ensure the quality and security monitoring of the construction materials at its own expense.
11. Construction Security.
 - 11.1 For the purpose of securing the Construction Phase namely the terms of commencement of construction works based on construction permit and Commencement of Operation of the Facility defined by the Annex 3 of the MOU, the Company shall on the day of signing the Agreement provide the GOG with Construction Security in an amount of 100.000 USD/MW of the Facility if the installed capacity is 100 MW or less and 50.000 USD/MW of the Facility if the installed capacity is more than 100 MW. Construction Security provided by the Company shall remain in force until the date falling 5 (five) months after the date of Commencement of Operation of the Facility as defined by the Annex 3 of the MOU. The Construction Security submitted by the Company shall be issued by any bank licensed by State or the OECD member countries. Once the Construction Security is provided by the Company, the Preconstruction Security shall be duly returned to the Company within 30 (thirty) days.
 - 11.2 The violation by the Company of the term of commencement of construction works based on Construction Permit defined by the Annex 3 of the MOU shall cause the penalization of the Company, in an amount of 1.5 (one point five) % of the Construction Security, for each delayed day. Herewith the imposed fine shall be paid by the Company within 15 (fifteen) days from receiving the request from the Ministry. In case fine is paid by the Company, the

respective Construction Security shall be reduced in accordance with the amount paid by the Company.

11.3 The violation by the Company of the term of Commencement of Operation defined by the Annex 3 of the MOU shall cause the penalization of the Company, in an amount of 1.5 (one point five) % of the Construction Security, for each delayed day. Herewith the imposed fine shall be paid by the Company within 15 (fifteen) days from receiving the request from the Ministry. In case fine is paid by the Company, the Construction Security shall be reduced in accordance with the amount paid by the Company.

11.4 The GOG is entitled to redeem the Construction Security, claim and receive the full or partial amount under such Construction Security in following cases and under following conditions:

- a) If the Company refuses to pay the fine imposed on it according to Articles 11.2 and 11.3 of the MOU, the GOG shall be entitled to redeem an amount equal to the unpaid fine from the Construction Security.
- b) If GOG terminates the MOU according to Articles 18.1, 18.2 and 18.3 of the MOU, the GOG shall be entitled to redeem in a full amount of the Construction Security.

GENERAL CONDITIONS

12. For the first 10 (ten) years of operation, beginning from the date of Commencement of Operation of the Facility (the "Initial Operation Period"), the 20 (twenty) % of factual annual power generation of the Facility shall be sold during the following months of each year: January, February, March, October, November and December (the "Winter Months") exclusively to ESCO. Annual projected amount of electricity, which should be generated by the Facility, shall be reflected in the Electricity (Power) Balance of the respective year or other similar document in accordance with the Applicable Law. If the production of electricity in first Winter Months of Initial Operation Period is less than 20 (twenty) % of annual projected amount of electricity (according the Electricity (Power) Balance valid as of January, 1st), the difference between factual production and the 20 (twenty) % of annual projected amount of electricity shall be produced and supplied to ESCO in the following Winter Months or any other month(s) determined by ESCO. The difference between the 20 (twenty) % of factual annual power generation and 20 (twenty) % of annual projected amount of electricity (if any) should be taken into account in the next year. For the purpose of Article 12 of the MOU, for the Initial Operation Period, during the Winter Months, the Company shall sell the generated power in accordance with the Guaranteed Power Purchase Agreement to be signed with ESCO with a tariff of 5,5 (five point five) USD Cents per KWh ("ESCO Price") at the inter connection point. Other than the Winter Months of the Initial Operation Period mentioned in Article 12 of the MOU, the Company is entitled to sell

generated power at its sole discretion and may export or sell the electricity to ESCO according to the Applicable Law.

OBLIGATIONS OF THE PARTIES

13. For the purposes of implementation of the Project, subject to the terms of this MOU and the Applicable Law, the Company shall:
 - 13.1 Ensure due implementation of the Project;
 - 13.2 Maintain the Facility within the Technical Parameters;
 - 13.3 Ensure that during project implementation period, at least 75% of employees (except management and experts) on this project shall be citizens of Georgia.
14. The obligations of the GOG are as follows:
 - 14.1 The GOG within its competence shall use its best endeavors to assist the Company with the implementation of the Project in any manner, which shall include the issuance of any permits and licenses including construction permit, Generation License etc. which are required for implementation of the Project, provided that the Company meets the relevant requirements in accordance with the Applicable Law.
 - 14.2 The GOG within its competence shall use its best endeavors to prevent any possible delay in importation of any material to the State for the purposes of the Project, provided that the Company has met the relevant requirements in accordance with the Applicable Law.
 - 14.3 Within its competence and provided that the company has met all relevant requirements under Applicable Law, the GOG shall ensure that the rights on the State owned land plots necessary for the implementation of the Project shall be transferred to the Company in accordance with Applicable Law.
 - 14.4 All fossils, coins, articles of value or antiquity, and structures and other remains or items of geological or archaeological interest, man-made and other physical obstructions found on the Site shall be removed under the care and authority of the GOG in accordance with the Applicable Law.

EXTENSION OF TIME

15. The Company shall have the right to request time extension should any of the following events affect implementation of the Project, for a period at least equal to delay arising out of following events:
 - 15.1 a force majeure event; or
 - 15.2 any default or breach under the MOU by GOG, or ESCO;

- 15.3 State or local self-governing bodies of Georgia, or their representatives acting illegally, failing to act, or not fulfilling their obligations (fully or partially) or any delays attributable to the GOG or any State or local self-governing bodies of Georgia, or judicial orders or decisions, injunction of a governmental authority, directly affecting the implementation of the project, which are not connected to the Company acting illegally, failing to act or not fulfilling its obligations (fully or partially) under this MOU, and/or any other contract, and/or Applicable Law.
- 15.4 Company applies for any permits, licenses, approvals, authorizations, etc. including any permit required for Preconstruction Phase works, construction permit, Generation License etc. which are required for implementation of the relevant Project and has met relevant requirements in accordance with the Applicable Law and such are not issued by the State authorities in accordance with Applicable Law; or
- 15.5 if the Company due to the reasons attributable to GOG cannot perform necessary works specified in Annex 2 and Annex 3 despite Company has met relevant requirements in accordance with the Applicable Law;
16. For avoidance of any doubt the Company shall not have the right to request time extension if events affecting the implementation of the Project are caused by contractors and/or subcontractors of the Company.

TERMINATION OF THE MOU

17. The GOG may terminate the MOU wholly and unilaterally, by serving the written notice to the Company, in the following cases:
 - 17.1 In case the Company violates the Schedule defined by Annex 2 of the MOU and such violation lasts for more than 30 (thirty) days in total.
 - 17.2 In case the Company fails to fulfill any of its obligations defined by the article 13 of the MOU and such violation lasts for more than 60 (sixty) days in total.
 - 17.3 In case the amount of fine, according to Articles 11.2 and/or 11.3 of the MOU reaches 50 (fifty) % or more of the full amount of the initial Construction Security.
 - 17.4 In case if force majeure event continues for more than 120 (one hundred and twenty) days. In this case the GOG releases the existing amount under Bank Guarantee, unless it has been already collected prior to such date, in accordance with this MOU.
18. The termination of the MOU by the GOG according to Article 17 of the MOU shall cause the following:

- 18.1 The rights (including ownership rights) on the land plots necessary and/or affected for the implementation of the Project shall be transferred to the State free of charge and free of all encumbrances.
- 18.2 The Company shall be deprived the right to implement the relevant Project.
- 18.3 Exclusive ownership rights of the Feasibility Study and the environmental and social impact assessment reports, as well as any other documents and drawings related to the Project which may be in possession of the Company (including new documents developed by the Company) shall be transferred to the GOG free of charge.
19. The Company may terminate the MOU wholly and unilaterally, by serving the written notice to the GOG, in the following cases:
- 19.1 If the GOG fails to fulfill its obligations as given in Article 14 hereunder. The GOG must be notified no later than 90 (ninety) days prior to such termination.
- 19.2 The Company elects to exercise its right under Article 5 of the MOU. The GOG must be notified no later than 30 (thirty) days prior to such termination.
- 19.3 In case the GOG decides not to implement the Project, despite Company's decision to implement the Project in accordance with Article 5 of the MOU.
- 19.4 In case if force majeure event continues for more than 120 (one hundred and twenty) days.
20. The termination of the MOU by the Company according to Article 19 of the MOU shall cause the following:
- 20.1 The rights (including ownership rights) on the land plots necessary and/or affected for the implementation of the Project shall be transferred to the State free of charge and free of all encumbrances.
- 20.2 The Company shall be deprived the right to implement the Project.
- 20.3 Exclusive ownership rights of the Feasibility Study and the environmental and social impact assessment reports, as well as any other documents and drawings related to the Project which may be in possession of the Company (including new documents developed by the Company) shall be transferred to the GOG free of charge.
- 20.4 In case of the termination of the MoU by the Company according to Article 19.1 of this MoU, the GoG compensates the documented Investment Cost to the Company.
21. Termination of the MOU by the GOG or by the Company shall cause the termination of the MOU for all Parties and accordingly the termination of the Guaranteed Power Purchase Agreement.

AMENDMENTS OF THE MOU

22. Amendments:

22.1 This MOU may be amended by written agreement between the Parties.

22.2 After finalization of the environmental and social impact assessment report and Feasibility Report, the MOU may be amended (including the timelines) due to the changes in Technical Parameters of the Facility upon request of the Company provided that it should be acceptable to the GOG.

22.3 If any provision of this MOU becomes invalid or unenforceable, the validity of other provisions shall not be affected.

NOTIFICATIONS

23. A notice under or in connection with this MOU (a "Notice"):

23.1 Shall be in writing;

23.2 Shall be made in English or Georgian language;

23.3 Shall be delivered personally or sent by post (air mail if overseas), courier, or electronically (with original to follow) to the party;

23.4 Shall be effective when actually received.

GOVERNING LAW AND DISPUTE RESOLUTION

24. This MOU shall be governed by the laws of Georgia.

25. The Parties hereto will use their best efforts to settle amicably any dispute, controversy or claim arising out of or in connection with, or the breach, termination, invalidity or interpretation of the MOU.

26. Any dispute or controversy arising out of or in relation to this MOU shall be settled by the Common Courts of Georgia in accordance with Applicable Law.

FORCE MAJEURE

27. Force Majeure shall mean any event beyond the reasonable control of either Party, the occurrence of which could not have been reasonably foreseen at the date of signing the MOU, including but not limited to war, civil war, invasion, armed conflict, hostile act of a foreign enemy, act of terrorism, radiation, biological or chemical contamination, ionizing radiation, explosion, fire, epidemic, cyclone, tidal wave, landslide, lightning, earthquake, flood, volcanic eruption, other natural disaster and any other similar event.

28. If any Party hereto is affected by Force Majeure as defined in previous article, it shall give written notice to the other Party immediately after becoming aware thereof. A detailed report elaborating the reasons and consequences of the Force Majeure event shall be provided by any affected Party to the other Party.

ხელშეკრულება

„ჯონოული 1“ ჰიდროელექტროსადგურის სამშენებლო ფაზის დაწყების შესახებ

ქ. თბილისი

9 მაისი, 2016 წელი

საქართველოს მთავრობა (შემდგომში: „მთავრობა“) წარმოდგენილი საქართველოს ენერჯეტიკის მინისტრის, კახა კალაძის მიერ, და

შპს „ხვამლი“ (შემდგომში: „კომპანია“), ს/კ: 405043297, წარმოდგენილი დირექტორის, ნიკოლოზ ჩაჩხიანის (პ/ნ: 01031004836) მიერ,

ვინაიდან, საქართველოს მთავრობას, შპს „ხვამლს“ და სს „ელექტროენერჯეტიკული სისტემის კომერციულ ოპერატორს“ შორის 2015 წლის 1 აპრილს დადებული ურთიერთგაგების მემორანდუმის ძირითადმა მხარეებმა, მემორანდუმის შესაბამისად, კომპანიის მიერ მომზადებული და წარდგენილი ტექნიკურ-ეკონომიკური განხორციელებადობის ანალიზის საფუძველზე, მიიღეს ერთობლივი გადაწყვეტილება მემორანდუმის დანართი N1-ით გათვალისწინებული ელექტროსადგურის მშენებლობის თაობაზე;

ვინაიდან, კომპანიამ, მემორანდუმის 9.1 მუხლის საფუძველზე, მთავრობის სასარგებლოდ წარადგინა საბანკო გარანტია;

აქედან გამომდინარე, ძირითადი მხარეები დებენ წინამდებარე ხელშეკრულებას „ჯონოული 1“ ჰიდროელექტროსადგურის სამშენებლო ფაზის დაწყების მიზნით.

წინამდებარე ხელშეკრულება ძალაში შედის მხარეთა მიერ ამ ხელშეკრულების ხელმოწერის მომენტიდან.

ხელმოწერები:

საქართველოს მთავრობა

კახა კალაძე

შპს „ხვამლი“

ნიკოლოზ ჩაჩხიანი

29. If a Force Majeure event shall prevent the total or partial performance of any of the obligations of either Party under the MOU, then the Party claiming Force Majeure shall be excused from whatever performance is prevented thereby to the extent so affected and the other Party shall not be entitled to terminate this MOU except as otherwise provided herein.

ADDITIONAL CONDITIONS

30. The MOU enters into force on the Effective Date and is in force until all obligations are fulfilled by the Parties, unless it is terminated in accordance with the MOU.

31. The MOU is made in English language, into 3 (three) equally binding copies.

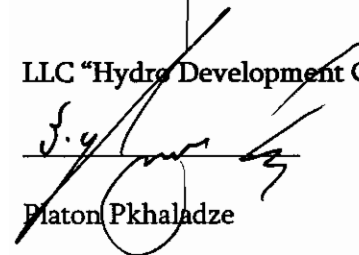
SIGNATORIES

The Government of Georgia



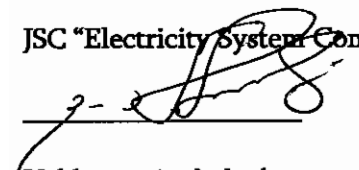
Kakha Kaladze

LLC "Hydro Development Company"



Platon Pkhaladze

JSC "Electricity System Commercial Operator"



Vakhtang Ambokadze

Annex N1

NAME	LOCATION	RIVER ELEVATION M. A. S.			ANNUAL GENERATION	CAPACITY
Magana and Lekarde Cascade	Samegrelo-Zemo Svaneti Region, Georgia	Riv. Skurchali	Riv. Magana		213,4 GWH	40,6 MW
		845,5	845	300		

Annex N2

The Quantity of Months from the date of signing the Memorandum	3	6	9	12
Sites and main parameters definitions	•	•	•	•
Topographical Surveys and Preparation of Maps	•	•	•	•
Geological, Geophysical		•	•	•
Seismic Risk analysis	•	•	•	•
Construction Materials Survey		•	•	•
Meteorological and Hydrological Studies	•	•	•	•
Hydraulic Studies	•	•	•	•
Alternative Analysis		•	•	•
Technical Design		•	•	•
Infrastructure		•	•	•
Power Generation and Utilization			•	•
Transmission System Associated			•	•
Bills of Quantities			•	•
Construction Organization				•
Economic Analysis			•	•
Financial Analysis			•	•
Procurement Planning and Execution Scheme			•	•
Timetable of Work- Force Training			•	•
Feasibility Study completion and Submission			•	•
Environmental and Social Assessment report completion and Submission			•	•
Conduct the public Hearings an submit the results			•	•
Locate and determine the lands necessary for the implementation of the Project		•	•	•
Submission of the proposal to the Government about the implementation of the Project				•

Annex N3

PRECONSTRUCTION PHASE		CONSTRUCTION PHASE		
Start	End	Start		End
The Effective Date of the MOU	The Effective Date of the Agreement	The Effective Date of the Agreement	Commencement of Construction Works based on Construction Permit	Commencement of Operations
			6 Months after the Effective Date of the Agreement	
16 Months after the Effective Date of the MOU		54 Months after the Effective Date of the Agreement		

A G R E E M E N T

Tbilisi

The Government of Georgia (hereinafter referred to as “GOG”) represented by the Minister of Energy of Georgia Mr. Kakha Kaladze;

LLC “Hydro Development Company” – ID Code: 400023728 (hereinafter referred to as “Company”) represented by Director Platon Pkhaladze.

Whereas the Principle parties based on Feasibility Study, environmental and social impact assessment and the results of public hearings prepared and submitted by the Company according to the MOU, have made a mutual decision on Construction of Facility Defined by the Annex 1 of the MOU;

Whereas the Company has submitted to the GOG the Construction Security in accordance with the article 11.1 of the MOU;

Therefore Principal parties sign the present Agreement to commence the Construction Phase.

The present Agreement enters into force (Effective Date) following its execution by the parties.

Signatures:



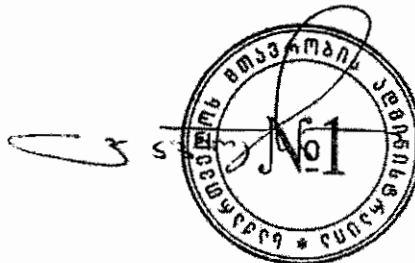
საქართველოს მთავრობის განკარგულება

№240 2016 წლის 11 თებერვალი ქ. თბილისი

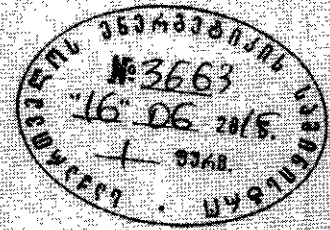
საქართველოს მთავრობას, სს „ელექტროენერგეტიკული სისტემის კომერციულ ოპერატორსა“ და შპს „ჰიდრო დეველოპმენტ კომპანის“ შორის დასადები ურთიერთგაგების მემორანდუმის თაობაზე

1. მოწონებულ იქნეს საქართველოს მთავრობას, სს „ელექტროენერგეტიკული სისტემის კომერციულ ოპერატორსა“ და შპს „ჰიდრო დეველოპმენტ კომპანის“ შორის დასადები ურთიერთგაგების მემორანდუმის პროექტი.
2. „საქართველოს მთავრობის სტრუქტურის, უფლებამოსილებისა და საქმიანობის წესის შესახებ“ საქართველოს კანონის 27-ე მუხლის შესაბამისად, ამ განკარგულების პირველ პუნქტში მითითებულ ურთიერთგაგების მემორანდუმს, საქართველოს მთავრობის სახელით, ხელი მოაწეროს საქართველოს ენერგეტიკის მინისტრმა კახა კალაძემ.

პრემიერ-მინისტრი



გიორგი კვირიკაშვილი



საქართველოს მთავრობის განკარგულება

№1203 2015 წლის 11 ივნისი ქ. თბილისი
სამეგრელო-ზემო სვანეთის რეგიონში „მაგანა და ლექარდე“
ჰიდროელექტროსადგურის მშენებლობის ტექნიკურ-ეკონომიკური
შესწავლის, მშენებლობის, ფლობის და ოპერირების შესახებ ინტერესთა
გამოხატვაში გამარჯვებული პირის გამოვლენის შესახებ

1. საქართველოს მთავრობის 2013 წლის 21 აგვისტოს №214 დადგენილებით დამტკიცებული „საქართველოში ელექტროსადგურების მშენებლობის ტექნიკურ-ეკონომიკური შესწავლის, მშენებლობის, ფლობის და ოპერირების შესახებ ინტერესთა გამოხატვის წესის“ მე-6 მუხლის შესაბამისად, სამეგრელო-ზემო სვანეთის რეგიონში „მაგანა და ლექარდე“ ჰიდროელექტროსადგურის მშენებლობის ტექნიკურ-ეკონომიკური შესწავლის, მშენებლობის, ფლობის და ოპერირების შესახებ ინტერესთა გამოხატვაში გამარჯვებულად გამოვლინდეს შპს „ჰიდრო დეველოპმენტ კომპანი“.

2. საქართველოს ენერჯეტიკის სამინისტრომ უზრუნველყოს ინტერესთა გამოხატვაში გამარჯვებულ პირთან გასაფორმებელი ურთიერთგაგების მემორანდუმის პროექტის საქართველოს მთავრობის სხდომაზე განსახილველად წარდგენა.

პრემიერ-მინისტრი

წ.

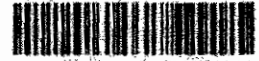


ერველი ფერიაშვილი



N447

საქართველოს იუსტიციის სამინისტრო
MINISTRY OF JUSTICE OF GEORGIA



KA010187644264116

საქართველო, ქ. თბილისი, 0114, გორგასლის ქ.24 ა. ტელ.: 2 40-51-48, 2 40-58-36; ელ. ფოსტა: info@justice.gov.ge
24 a, Gorgasali str., 0114, Tbilisi, Tel.: 2 40-51-48, 2 40-58-36, E-MAIL: info@justice.gov.ge

N6561

28 / იანვარი / 2016 წ.

საქართველოს ენერჯეტიკის
მინისტრის მოადგილეს,
ზატონ ირაკლი ხმალამეს

ზატონ ირაკლი,

საქართველოს იუსტიციის სამინისტრომ განიხილა თქვენი 2016 წლის 22 იანვრის №04/205 წერილით
წარმოდგენილი საქართველოს შთავერობას, შპს „ჰიდრო დეველოპმენტ კომპანისა“ და სს
„ელექტროენერჯეტიკული სისტემის კომერციულ ოპერატორს“ შორის დასაადგიბი ურთიერთგაგების
ტერიანდუმის პროექტი და გაცნობებთ, რომ მასთან დაკავშირებით სამართლებრივი ხასიათის შენიშვნები არ
გვაქვს.

პატივისცემით,

გ. დხიფიფანიძე

მინისტრის მოადგილე

გოჩა ლორთქიფანიძე



ელექტროენერგეტიკული ბაზრის ოპერატორი
Electricity Market Operator

საქართველო, თბილისი, 0114, პარათაშვილის ქ. 2
ტელეფონი: 2401420; ფაქსი: 2601915

2 Baratashvili Str., 0114 Tbilisi, Georgia
Phone: +995 32 2401420; Fax: +995 32 2601915

N 01/106
01/02/2016

106-01-2-201602011630



თანხმობა ხელმოსაწერი
ურთიერთგაგების მემორანდუმის
პროექტზე

საქართველოს ენერგეტიკის მინისტრის
მოადგილეს ბატონ ირაკლი ხმალაძეს

ბატონო ირაკლი,

საქართველოს ენერგეტიკის სამინისტროს 2016 წლის 25 იანვრის #04/199 წერილის პასუხად გაცნობებთ, რომ ბაზრის ოპერატორმა განიხილა საქართველოს მთავრობას, შპს „ჰიდრო დეველოპმენტ კომპანისა“ და სს „ელექტროენერგეტიკული სისტემის კომერციულ ოპერატორს“ შორის დასადები ურთიერთგაგების მემორანდუმის პროექტი (მაგანა და ლექარდეს კასკადი), რომელთან დაკავშირებითაც შენიშვნები არ გაგვაჩნია.

პატივისცემით,

ვახტანგი აშბოკაძე

გენერალური დირექტორი

OFFICE@ESCO.GE • WWW.ESCO.GE

სს „ელექტროენერგეტიკული სისტემის კომერციული ოპერატორი“
რეგისტრირებულია ქ. თბილისის საგადასახადო ინსპექციის მიერ 07.08.2006; საიდ. კოდი 205170036

ELECTRICITY SYSTEM COMMERCIAL OPERATOR JSC
Registered by Tbilisi Tax Inspectorate on 07.08.2006; ID CODE 205170036

337/108-38

Bank Guarantee

May 15, 2015

Letter of Guarantee No.: 2236481-7955332

Beneficiary: Government of Georgia

Principal: LTD HYDRO DEVELOPMENT COMPANY (Identification Number: 400023728)

Guarantee amount: 203 000.00 (Two hundred and three thousand) USD

Validation time: Till May 15, 2017 (24 months)

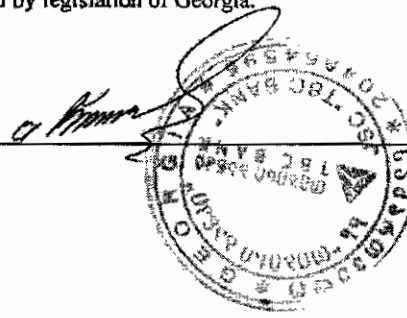
We were informed that LTD HYDRO DEVELOPMENT COMPANY (The Company) has submitted application for participating in the inquiry process for preparation of the feasibility study, construction, ownership and operation of "Magana and Leqarde" Hydro Power Plant in Georgia.

In accordance with regulations the Company has to present bank guarantee ensuring application itself preparation of feasibility study and environmental impact assessment report on "Magana and Leqarde" Hydro Power Plant and presentation of the construction guarantee pursuant to the terms and conditions of the Memorandum of Understanding to be signed between LTD HYDRO DEVELOPMENT COMPANY (The Company) and the Government of Georgia (the "MoU")

We, "TBC BANK" JSC, Address: Tbilisi, Marjanishvili st. #7 (the "Bank"), under this bank guarantee ("Bank Guarantee") hereby unconditionally and irrevocably undertake to pay you any sums up to a maximum amount of 203 000.00 (Two hundred and three thousand) USD in equivalent of Georgian Lari at the National Bank of Georgia's official exchange rate in force on the date of payment ("Maximum Amount") in connection with the Company's obligation of preparation of the feasibility study and environmental impact assessment report and presentation of the construction guarantee pursuant to the terms and conditions of the MoU, in accordance with and subject to the following:

- (A) We shall pay you upon your first written demand after 5 working days and irrespective of any objection by the Company or any other party such amount or amounts as you may demand up to the Maximum Amount 203 000 (Two hundred and three thousand) USD in equivalent of Georgian Lari at the National Bank of Georgia's official exchange rate in force on the date of payment.
 - (B) All payments made based on your demand shall be free and clear of, and without any present or future deduction or withholding for payment of, any taxes, levies, duties, charges or fees of any nature whatsoever and by whomsoever imposed;
 - (C) The Bank guarantee shall remain valid and in full force and effect up to the end of the day May 15, 2017; and expires full and automatically, should your original written request for payment not be in our possession at our above mentioned address on or before that date;
 - (D) Your demand of payment must be sent to our above mentioned address in the written form,
 - (E) The Bank Guarantee will be reduced by each payment made by us as a result of a claim.
- All disputes in connection with the Bank Guarantee shall be resolved through negotiations and mutual consultations and on failure to do so disputes will be considered by legislation of Georgia.

Representative _____



_____ Tamar Tsitlidze



ამონაწერი მეწარმეთა და არასამეწარმეო
(არაკომერციული) იურიდიული პირების
რეესტრიდან

განაცხადის რეგისტრაციის ნომერი, მომზადების თარიღი: B15105629, 15/05/2015 09:44:55

სუბიექტი

საფირმო სახელწოდება: შპს ჰიდრო დეველოპმენტ კომპანი

სამართლებრივი ფორმა: შეზღუდული პასუხისმგებლობის საზოგადოება

საიდენტიფიკაციო ნომერი: 400023728

რეგისტრაციის ნომერი, თარიღი: 05/07/2011

მარეგისტრირებელი ორგანო: სსიპ საჯარო რეესტრის ეროვნული სააგენტო

იურიდიული მისამართი: საქართველო, ქ. თბილისი, ძველი თბილისის რაიონი, თავისუფლების მოედანი, №4

დამატებითი ინფორმაცია:

ელ. ფოსტა: hydrodevelopcom@gmail.com

დამატებითი ინფორმაციის ნამდვილობაზე პასუხისმგებელია ინფორმაციის მოწოდებელი პირი.

ინფორმაცია ლიკვიდაციის/ რეორგანიზაციის/ გადახდისუნარობის პროცესის მიმდინარეობის შესახებ

რეგისტრირებული არ არის

ხელმძღვანელობა/წარმომადგენლობა

- დირექტორი - 01008000560, პლატონი ფხალაძე

პარტნიორები

მესაკუთრე	წილი	წილის მმართველი
12537656, სააქციო საზოგადოება Skinest Hydro, ესტონეთი, , ,	100.00000000%	

ვალდებულება

რეგისტრირებული არ არის

გირავნობა

რეგისტრირებული არ არის

ყადალა/აკრძალვა

რეგისტრირებული არ არის

საგადასახადო გირავნობა/იპოთეკის უფლება

რეგისტრირებული არ არის

მომრავ ნივთებსა და არამატერიალურ ქონებრივ სიკეთეზე გირავნობა/ლიზინგის უფლება

რეგისტრირებული არ არის

მოვალეთა რეესტრი

რეგისტრირებული არ არის

- დოკუმენტის ნამდვილობის გადამოწმება შესაძლებელია საჯარო რეესტრის ეროვნული სააგენტოს სოფიციალურ ვებ-გვერდზე www.napr.gov.ge;
- ამონაწერის მიღება შესაძლებელია ვებ-გვერდზე www.napr.gov.ge, ნებისმიერ ტერიტორიულ სარეგისტრაციო სამსახურში, იუსტიციის სახლებსა და სააგენტოს ავტორიზებულ პირებთან;
- ამონაწერში ტექნიკური ხარვეზის აღმოჩენის შემთხვევაში დაგვიკავშირდით: 2 405405 ან პირადად შეავსეთ განაცხადი ვებ-გვერდზე;
- კონსულტაციის მიღება შესაძლებელია იუსტიციის სახლის ცხელ ხაზზე 2 405405;
- საჯარო რეესტრის თანამშრომელთა მხრიდან უკანონო ქმედების შემთხვევაში დაგვიკავშირდით ცხელ ხაზზე: 08 009 009 09
- თქვენთვის საინტერესო ნებისმიერ საკითხთან დაკავშირებით მოგვეწერეთ ელ-ფოსტით: info@napr.gov.ge