**Annex to the Regulation on Procurements by "Cartu Bank" JSC.**

**Instructions for Tender Participants (I.T.P.)**

**1. Tender Participation**

1.1 Legal and natural persons shall be entitled to the tender.

1.2 "Cartu Bank" JSC (hereinafter- "the Bank") may bar some persons from participating in the open tender indicated in the tender announcement (hereinafter- "the announcement").

2**. Tender Participation Cost**

2.1 The tender bidder shall assume the tender proposal preparation and submission costs and in no case shall the Bank be responsible for those.

**3. Tender Commission and Tender Organizer**

3.1 The Bank shall conduct the tender in accordance with the Regulation on Procurements through its Tender Commission (hereinafter-"Tender Commission") and Administrative Department. The contact information of the employees shall be specified in the tender participation invitation (hereinafter- "invitation") and the Tender Data Sheet (hereinafter "TDS").

**4. Tender Commission: Rights and Obligations**

4.1 The rights and obligations of the Tender Commission shall be:

4.1.1 implementation of the procurement-related activities and tender procedures, determination/change of the tender proposal submission deadlines, approval of changes to the tender documentation, announcement of the second stage tender, opening, selection, evaluation of the tender proposals, identification of the winner, declaration the tender as failed, termination thereof, determination of the qualification data requirements, disqualification of bidders, decision on barring certain persons from participation in the open tender, determination of conditions, amount and form of the collateral for the tender proposal/contract implementation, request for reconfirmation of qualification data and/or extension of the submitted tender proposal validity term and clarification of the tender proposal, establishment of sub-contractor qualification requirements ; imposing any requirement that the Bank may have with regard to a tender or bidder/sub-contractor etc.

**5. Administrative Department**

5.1 The functions of the Administrative Department shall be: provision of tender documentation to bidders and informational relationship with them, acceptance of bid proposals, resolution of any organizational tender-related issues, as instructed by the Tender Commission, negotiations with bidders for final specification of technical indicators, economic etc. data, the bid proposal conditions and tender documentation etc.

**6. Tender Documentation**

6.1 The tender documentation package shall contain detailed information on the procurement item, the tender process and the basic terms of the prospective procurement contract. The tender documentation shall consist of the present document (ITP), Tender Data Sheet (TDS), tender proposal form, the price table (or cost estimate) form, work statement (information on the technical, volumetric, qualitative, or the other specific data, as well as drawings and specifications) etc. documents (including additional requirements of the Bank).

**7. Changes in the Tender Documentation/Announcement /Invitation**

7.1 The Bank shall be authorized to make changes in the tender documentation, announcement, invitation.

7.2 In case of a closed tender, no less than 2 calendar days prior the tender proposal submission deadline, information on a change in the invitation, tender documentation shall be sent by e-mail or another communication means (mail) to all the invited persons in which case, the Bank shall have the right to extend the tender proposal submission deadline.

In case of an open tender, a change in the announcement, information on a change in the tender documentation shall be published in the same media as the announcement. In case of a change in the tender documentation, the announcement shall indicate the date and place of withdrawal of the changed tender documentation. The tender documentation and announcement shall be amended and published at least 2 calendar days prior the tender proposal submission deadline. In addition, about the mentioned change by mail or e-mail. By mail or email, the Bank shall immediately inform all the bidders, who have submitted the tender proposals by then in such a case, the Bank shall have the right to extend the tender proposal submission deadline.

7.3 The tender can be conducted in two stages. In case of a 2-stage tender, after reviewing the initial tender proposal, the Bank shall have the right to adopt the final version of the tender requirements, which shall be sent to the bidders via e-mail or post.

8**. Interpretation of Tender Documentation**

8.1 For the purpose of obtainment of additional information and clarification of the tender documentation, the bidder can apply to the Administrative Department in writing. The application shall be submitted to the details specified in the application/invitation or sent by e-mail. through mail.

8.2 The Bank responds to all applications related to the clarification of tender documents in writing, which is delivered to the bidder by mail or e-mail.

**9. Language of the Tender Proposal**

9.1 The bidder's tender proposal shall be prepared in the language indicated in the TDS. The Bank shall be authorized to request a Georgian translation of the tender proposal or any of the documents in it. Besides, the Bank may request a notarized translation of which the bidder shall be informed by mail or e-mail.

**10. Bidder's Tender Proposal and the Documentation included in it**

10.1 Bidder's tender proposal shall include the application for participation in the tender and the documentation requested in the application/invitation and the tender documents.

10.2 The bidder shall complete the tender proposal form and the corresponding price table (cost estimate) set out in the tender documentation, where he/she shall describe the procurement item, its quantity (volume), the unit and total price, delivery(performance) term and deadlines. The bidder shall submit to the Bank these and the other documents provided by the application/invitation/tender documentation.

10.3 The bidder shall have the right to submit one or more alternative bids depending on what is specified in the TDS.

10.4 Tender proposals etc. documents shall be submitted to the Bank in a sealed envelope and addressed to the contact person specified in the announcement. The envelope shall be opened at the Tender Commission meeting.

10.5 If the bidder wishes to include a sub-contractor in the delivery of goods/services/performance of work, he/she shall be obliged to provide the sub-contractor’s detailed information in the tender proposal. The Bank shall be authorized to impose qualification requirements on the sub-contractor and require the bidder to submit the relevant sub-contractor documentation. If the Bank determines these requirements after the tender documents have been handed over to the bidder, it shall inform the bidder on the said request by mail, e-mail.

**11. Description of the Procurement Item**

11.1 The tender proposal shall contain information confirming the compliance of the procurement item proposed by the bidder with the technical conditions of the tender documentation (work statement) and shall fully comply with the requirements of the tender documentation, the norms established for the documents to be submitted; in the tender proposal, the procurement item shall be described clearly and comprehensibly.

11.2 Textual materials, specifications, plans, drawings, sketches, descriptions etc. used for description of the procurement item shall reflect the accurate technical and quality parameters of the procurement item.

**12. Bid Price**

12.1 In the tender proposal, along with the total, the unit price of each of the goods to be supplied/work to be performed/services rendered (procurement item) shall be indicated clearly, with the transportation, insurance, taxes etc. factors, taken into account depending on the TDS.

12.2 The total value of the tender proposal and the price of each procurement item shall be specified in the currency and according to the price calculation method under the TDS (if any).

**13. Tender Proposal Validity Term**

13.1 Tender proposals shall remain valid for the term specified in the tender documentation (TDS).

13.2 If required, the Bank may request reconfirmation of the qualification data and/or extension of the submitted tender proposal term to which end the Bank shall set the deadline to the bidder. In this case, at the request of the Bank, the validity term of the tender proposal collateral/guarantee shall be extended accordingly. The bidder shall be informed by post or e-mail. However, failure to comply with any of the requirements shall result in disqualification of the bidder but shall not affect the collateral.

14. **Collateral for Execution of the Tender Proposal and Implementation of the Contract**

14.1 In order to guard against the bidder action- related risk, the collateral regarding execution of the tender proposal and implementation of the contract in the amount and type specified in TDS may be used.

14.2 Along with the tender proposal, in a closed envelope, the bidder shall submit the bid proposal collateral guarantee or other type of security indicated in TDS, while the contract execution security shall be provided as requested by the Bank.

14.3 The security requirement shall apply equally to all the bidders participating in the tender. If, in the case under sub-section13.2 of the Instructions, the tender proposal term is extended and/or re-confirmation of the qualification data is required, at the request of the Bank, the validity term of the tender proposal coverage/guarantee shall be extended, too.

**15. Tender Proposal: Way, Place and Time of Submission**

15.1 In a closed envelope, the bidder shall submit the tender proposal to the Bank in the way and to the address specified in the application/invitation and the tender documentation. In the case of a legal entity, the tender proposal shall be signed by the person authorized to represent the bidder (by attaching documents confirming the representation authority), and in case of a natural person, by him/her or the person vested with the right of representation, with the power of attorney (notarized or equivalent) attached. If samples are required by the TDS, the bidder shall submit them in a sealed box (or an appropriate container), with the bidder's name, identification/personal number indicated.

15.2 Unsigned bids, as well as the ones signed by an unauthorized person or if the authority of the signatory cannot be determined, shall not be considered.

15.3 The bidder shall have the identity document.

15.4 An Administrative Department employee of the Bank, namely, the Tender Commission secretary specified in the application or another contact person specified in the same invitation) shall accept and register the tender proposals, with the identity, position, personal number of the presenter, acceptance date and time specified. Acceptance of tender proposals shall be confirmed by the signature of the relevant employee of the Bank and the bidder in the Tender Proposal Register

16**. Change and Withdrawal of Tender Proposals**

16.1 Bidders shall have the right to withdraw or change the tender proposals prior the appointment of the Tender Commission meeting (save the cases when the tender proposal is being clarified at the request of the Bank), to which end they shall apply in writing to the Tender Commission. The withdrawal/change of the tender proposal shall be registered as specified in sub-section 15.4 of these Instructions. After the appointment of the Tender Commission meeting, applications (in writing) of the bidders regarding the change/withdrawal of the tender proposal will not be accepted.

**17. Opening the Tender Proposal**

17.1 Tender proposals shall be opened after their acceptance deadline at the meeting of the Tender Commission.

17.2 After the opening of the tender proposals, the tender committee will select them.

**18. Specification of Tender Proposals**

18.1 During the selection or evaluation of the tender proposals, the Bank may request the bidder to specify the tender proposal within the set time limits. The said request shall be notified to the bidder by mail or e-mail. Submission of a specified tender proposal shall be registered as specified in sub-section 15.4 of these Instructions.

19**.Selection of Tender Proposals, Disqualification of Bidders**

19.1 After opening the envelopes (in case of an international tender, the Tender Commission shall be authorized to establish a different procedure), the tender proposals shall be selected to establish compliance of the submitted tender proposals, qualification data and all the accompanying documents with the tender documentation/announcement/invitation etc. requirements of the Bank. During the selection procedure, the following shall be checked:

a) whether all the requested documents have been submitted;

b) whether all the necessary documents have been drawn up appropriately (signature of the authorized person, indication of the date, etc.);

c) whether the tender proposal complies with the requirements, deadlines etc. parameters under the tender documentation.

19.2 In case of a slip of a pen and arithmetical errors found in the tender proposals, the Bank shall inform the bidder by mail or e-mail and suggest correction of the arithmetical error or the slip of a pen. The bidder shall correct the error within 2 calendar days (unless another deadline is set by the Tender Commission), otherwise the bidder will be disqualified. Submission of the corresponding updated document by the bidder shall be registered in the way established by sub-clause 15.4 of these Instructions.

19.3 The Tender Commission shall have the right not to consider the tender proposal as acceptable, not to sanction its evaluation and disqualify the bidder in the following cases:

a) the bidder has not submitted all the required documents and/or information, a sample, if required, has not been submitted;

b) in the case defined by clause 15.2 of these Instructions.

c) the bidder has not made an amendment in the tender proposal under sub-section 19.2 of these Instructions.

d) the tender proposal and/or qualification data do not comply with the requirements under the tender documentation and/or application/invitation;

e) indecent acts on part of the bidder (an attempted influence on the decision related to the evaluation of the tender proposals and the selection of the winner, etc.);

f) the data submitted by the bidder participating in the procurement procedure and/or the supporting documents prove to be false.

g) the bidder’s failure to clarify the tender proposal within the set term;

h) the bidder is unable to reconfirm the qualification data and/or extend the validity term of the security/guarantee relevant to the bid, within the set term.

i) the Bank has a negative experience of business relations with the applicant.

19.4. In the cases under "a", "b" and "d" of subsection 19.3 of these Instructions, the Bank shall have the right to set an additional term for bidders. In case of missing the deadline, the tender proposal shall not be deemed accepted for evaluation and the bidder shall be deemed disqualified.

19.5 The Bank shall have the right to disqualify the bidder at any stage of the procurement, before conclusion of the procurement contract, if the qualification data submitted by the bidder proves to be false or fails to meet the qualification requirements.

19.6 If the falsity of the Bidder's qualification data is discovered after the conclusion of the contract, the Bank shall have the right to reject the contract at any time, claim the damages from the Bidder and apply the enforcement to the collateral;

**20.Evaluation of Tender Proposals**

20.1 The Bank shall evaluate the tender proposals of the bidders selected and accepted for evaluation;

20.2 In the evaluation of the selected tender proposals, the technical and qualitative data, specifications, values ​​ etc. data thereof shall be considered.

20.3 In case of disqualification of the winning bidder or his/her refusal to conclude the purchase contract, as well as the Bank's refusal to sign the contract in accordance with clauses 22.3 and 23.2 of these Instructions, the winner shall be revealed among the rest of the bidders, or a decision to conduct a new tender shall be made.

**21. The Bidder/ Bank Relations**

21.1 From the opening time of the tender proposal until identification of the winning bidder, no bidder shall have any contact with the Bank (save the Administrative Department staff in the cases under these Instructions) regarding any issue related to his/her bid. In order to clarify technical issues, it shall be possible to communicate with an employee of the relevant structural unit as agreed with the Administrative Department and in their presence.

21.2 Any attempt by the bidder to directly or indirectly influence the decision related to the evaluation of the bids and the selection of the winner, as well as any other dishonest action, shall result in the disqualification of the bidder.

**22. Notification to the Bidder regarding Win of the Tender and Conclusion of Contract**

22.1 Within 7 (seven) business days after identification of the tender winner, the Bank shall inform the tender winner by mail or e-mail and invite him/her to sign the purchase contract.

22.2 In order to sign the contract, the Bank shall have the right to request the bidder to submit additional documentation (charter, permission/consent, etc.), which will be notified to the bidder by mail or e-mail. Within 20 (twenty) working days after the tender winner has been identified, the relevant notification sent and the documentation requested by the Bank submitted by the bidder, a purchase contract shall be concluded between the Bank and the winning bidder. Also, based on the decision of the Tender Commission, different deadlines for signing the contract may be determined, of which the bidder shall be informed.

22.3 After winning the tender, the bidder's refusal to sign the contract under the terms and conditions of the tender proposal and TDS, the Bank shall have the right not to sign the contract with the bidder, to request the payment of forfeit or/and claim damages and apply enforcement to the collateral of the tender proposal.

22.4. If the bidder fails to submit the documentation under sub-clause 22.2 of these Instructions, within the time limit set by the bank, the Bank shall have the right not to sign the contract with the bidder and claim the damages.

22.5. In case of the bidder’s default obligation of the preliminary contract execution security, the Bank shall have the right to request extra forfeit and apply enforcement to collateral of the tender proposal.

**23. Securing Execution of Procurement Contract (if the mechanism is employed)**

23.1 In order to avoid the risk of default contractual obligations by the winning bidder, the mechanism of securing fulfillment of contractual obligations in the way and amount specified in the Contract may be employed. The bidder shall be obliged to ensure performance of the contract within the term specified in the contract.

23.2 If the bidder shall be obliged to provide prior security before signing the contract but fails to fulfill the obligation within the time limit set by the Bank, the Bank shall have the right not to execute the contract with the bidder, request forfeit and/or claim damages and apply enforcement to the collateral of the tender proposal.

**24. Settlement with Supplier**

24.1 the Bank and the supplier shall settle accounts in accordance with the terms of the Purchase Contract.

24.2 Settlement shall take place with the quantity of goods actually received/services rendered/works performed taken into account, and upon submission of the relevant invoices and/or etc. documents specified in the terms of the contract. However, advance payment shall be possible as indicated in the TDS.

24.3 When employing the prepayment mechanism, upon the request of the Bank, the supplier shall be obliged to provide the payment security in the amount of the prepayment sum in the way and term specified in the purchase contract.

**25. Failed and Terminated Tender**

25.1. The tender shall be deemed failed if:

a) none of the tender proposals and/or qualification data were submitted within the established time limits;

b) the decision to identify the winner could not be made;

c) none of the bidders was admitted to the evaluation;

d) All the bidders are disqualified.

25.2 The Bank shall be entitled to the termination of the tender at any stage if:

a) due to the need to change the technical, economic and other characteristics of the procurement item, significant modification of the tender documentation is required;

b) the Bank faces a problem in terms of financial security of the purchase item;

c) there is no longer need for the purchase item/a specific purchase is no longer appropriate in the interests of the Bank;

d) none of the submitted tender proposal prices or etc. material terms are acceptable to the Bank;

e) none of the bidder’s qualification data or/and the tender proposal meet the Bank requirements;

f) force major circumstances;

g) etc. material circumstances in case of which the Bank shall decide to declare the tender terminated.

25.3 If the Bank declares a tender failed or terminated or a bidder is disqualified, the Bank shall not be obliged to provide explications to the bidders concerning the grounds of its decision and pay the damages compensate etc. sum/costs.

**26. Electronic Dispatch/Receipt of Notification/Documentation/Information**

26.1 In the cases under these Instructions, the Bank shall send a document/information/notice from the email address specified in the application/invitation;

26.2 In case of failed notification of the bank regarding change or irregular operation of the bidder’s email address, a letter sent to the email address specified in the application shall be deemed delivered. The same shall apply to the change of address.