**Instruction to bidders**

1. **Participation in tender process**

1.1 Participation in Tender process is open for legal entities and natural persons.

1. **Cost of Participation in Tender Process**

2.1 All costs incurred by Bidders in the preparation and submission of their Tender shall be solely at the expense of the Bidders. The bank in no case shall be liable for the costs hereof.

**3. Tender Commission and Tender Planner**

3.1 The bank shall provide Tender in accordance with VTB Bank (Georgia) Procurement Regulations, with assistance of Tender Commission (hereinafter “Tender Commission”) and Procurement Coordination Group of the bank. Contact information of Procurement Coordination Group employees shall be referred to in application, invitation to tender (hereinafter “Invitation”) and Tender Data Sheet (hereinafter “TDS”).

1. **Rights and duties of the Tender Commission**

4.1 Rights and duties of the Tender Commission:

4.1.1 Carry out Tender activity and procedures, define/change deadline for tendering, approve Tender documentation, make changes in it, settle a date of the second stage, open envelopes with tender applications, select, evaluate, announce a winner, declare a Tender invalid, terminate a Tender, define qualification requirements, disqualification of applicants, make decision prohibited participation of some applicants in open Tender, define terms and conditions/amount and form of a Tender/contract enforcement, ask for reconfirmation of or/and extension of Tender submission deadline, clarification of a tender; set qualification requirements for sub-contractors; set any requirements which bank may have toward a Tender or Bidders/sub-contractors during a tendering process, and exercise other powers.

4.1.2 Tender Commission shall be entitled to, in special cases, may solicit the Board’s consent to consider issues which fall within the competence of the Commission.

**5.** **Functions of Procurement Coordination Gro**up

5.1 Procurement Coordination Group fulfil the following functions: provide Bidders with access to Tender documentation, all necessary information. Receive Tenders, ensure regulation of practical arrangements related to tendering process, conduct negotiations with Bidders in the name of Tender Commission with respect to clarification of technical data, economic and other indices, terms and conditions of a Tender, and final requirements for Tender documentation, and other issues.

**6. Tender documentation**

6.1Tender documentationis a set of documents whichcontaindetailed information about procurement item, tendering process and main terms and conditions of the Procurement agreement to be concluded. Tender documentation consists of the present document, TDS, tender form, price list, scope of work (information on technical data, volume, quality and other specifications, and drawings) and other documents (including additional requirements of the bank).

**7. Amendments to tender documentation / announcement/ invitation**

7.1 The bank shall be authorized to amend tender documentation, announcement, invitation.

7.2 In case of closed tender information on amendments made to invitation, tender documentation shall be send to all persons who received invitation by email or other way (post) no later than 2 calendar days before the deadline for Tender submission. In this case the bank shall be authorized to extend deadline for tender submission.

7.21 In case of an open tender information regarding amendments made to announcement, tender documentation shall be posted by Bidder not less than 24 hours prior to deadline of tender submission to official website of VTB Bank (Georgia) and Tender online portal, where tender information was posted. In such case the bank shall be authorized to extend deadline for tender submission, that shall be published in the manner prescribed in the article hereof. If a Bidder submits its Tender after Tender dossier or/and announcement has already been amended, the Bidder will be notified about the amendments and extension of deadline for submission of Tenders (if available) by email.

7.3 Tendering process may contain 2 stages. In case of 2 stage tender after reviewing the initial Tenders, the bank shall be authorized to adopt the final version of Tender requirements, which will be sent to Bidders by email or post.

**8. Interpretation of Tender Documentation**

8.1 Applicants may submit to Procurement Coordination Group written inquiry for more information and clarification at the address referred to in an announcement/invitation or send it by email.

8.2 The bank shall send written response with respect to clarification of tender documentation to all Bidders by post or email.

**9. Language of Tender**

9.1 Bidders may submit a Tender written in the language specified in TDS. The bank shall be authorized to require translation of Bidder’s tender or of any document hereto into Georgian language. Bidder shall be informed about it by communication set out to the email/postal address.

**10. Tender and Enclosed documentation submitted by Bidder**

10.1 Tender contains application for participation in tender and documentation required in announcement/invitation and tender documentation.

10.2 Bidder shall fill the Form of Tender furnished in Tender documentation and price list, describe procurement item, its quantity (volume), cost of a unit and total cost, terms and conditions of delivery (implementation). Bidders shall submit to the bank these documents and other ones stipulated by announcement/invitation /tender documentation.

10.3 Bidder shall be authorized to submit one or more alternative tender depending of what is specified in TDS.

10.4 Tenders and other documents shall be submitted to the bank in sealed envelope. The envelope is opened at Tender Commission meeting.

10.5 In case a Bidder wants a sub-contractor to be involved in the process of delivery of goods/service /implementation of works, Bidder shall be obliged to specify detailed information about the sub-contractor in a tender. The bank shall be authorized set qualification requirements for sub-contractor, demand submission of required documentation from the sub-contractor and define deadline for submission of documents. The bank shall inform Bidder about the demand via postal delivery or email.

**11. Procurement Description**

11.1 Tender shall comprise information which approved the conformity of the procurement item to the requirements of technical specifications provided for in Tender documentation, standards set for required documents. Tender shall contain clear and detailed description of procurement item.

11.2 Technical information, specifications, plans, drawings, drafts, used for description of procurement items, and shall reflect fair, technical and qualitative parameters.

**12. Cost of Tender**

12.1 Tender shall include cost of transportation, insurance specified clearly for each item of delivered goods/works/services along with total price, with allowance for taxes and other factors, depending of what is specified in TDS.

12.2 Total cost of a Tender and cost of each item of purchase shall be in the currency noted in TDS, and according to the price calculation procedure ( if available).

**13. Tender Validity Period**

13.1 Tender shall be valid for the period specified in TDS.

13.2 As circumstances may require, the bank may ask for reconfirmation of qualification data or/and extension of Tender validity period. In such case upon the request of the bank validity period of security/guarantee shall be prolonged therefrom. Bidder shall be informed about it via postal delivery or email. Moreover, if Bidder fails to meet any of the requirements, that will result in disqualification of Bidder. However, it will not give rise to arrangements related to security of Tender.

**14. Tender Security and Contract Performance Security**

14.1 With a view to insure risks related to Bidder’s actions security of Tender and contract performance security specified in TDS may be used with respect to Tender process in the form and quantity noted in TDS.

14.2 Tender Guarantees or other types of security prescribed in TDS shall be submitted by Bidder in sealed envelope along with a Tender, and contract security performance shall be implemented upon request of the bank.

14.3 Security requirements shall apply to all Bidder who participate in tender process. If in cases set forth in Article 13.2. tender validity period is extended or/and qualification data should be reconfirmed, the bank shall require extension of tender security/guarantee validity period.

**15. Form, Place and Time of Submission of Tender**

15.1 Bidder shall submit Tenders to the bank within the period, in the manner and at the address prescribed in announcement/invitation and tender documentation. Tenders shall be made in sealed envelopes. Tenders shall be signed by authorized representative, if Bidder is a legal person (document confirming the representative’s authority shall be enclosed) and certified by seal (if available), or if Bidder is a natural person – by himself or authorized representative, annexed with power of attorney (notarized or certified in equivalent manner). If TDS provides for submission of samples, Bidder shall submit required samples in sealed box (or relevant container) which bears name of the Bidder, ID number.

15.2 Unsigned tenders as well as tenders signed by unauthorized persons or if authorization of the signee couldn’t be ascertained, shall not be considered.

15.3 Bidder shall submit identity document.

15.4 Receipt and registration of Tenders shall be controlled by employee of Procurement Coordination Group of the bank in a register book which includes the following information: identity, position, personal number, telephone number of a person who submits a tender, date and time of receipt. If Bidder submits a sample register book shall contain the fact of its submission (receipt of Tender is confirmed by the relevant employee of the bank and signature of the submitter).

**16. Amending and Withdrawing of Tenders**

16.1 Bidders shall be authorized to withdraw or modify their Tenders prior to appointing of Tender Commission meeting (unless Tenders are clarified upon the bank’s request), Bidders shall apply to Tender Commission in connection therewith. Fact of withdrawal/changes to Tenders shall be registered as set forth in Article 15.4 of the Instruction. Once the meeting of Tender Commission is set, application for alteration/withdrawal of Tenders shall not be accepted.

**17. Tenders Opening**

17.1 Tenders are opened after the expiry of Tenders submission deadline at Tender Commission meeting.

17.2 If Bidder submits more than one Tenders, not a single Tender shall be examined, unless TDS provides for submission of alternative Tenders.

17.3 After opening of Tenders Tender Commission shall select Tenders.

17.4 Upon Tender Commission decision Bidders may be admitted to Tenders opening session, information about it shall be noted in announcement/invitation or tender documentation, or all Bidders will be invited further.

**18. Clarification of Tenders**

18.1 In the process of selection or evaluation of Tenders the bank may ask Bidder for clarification of its Tender in terms set by the bank. The requirement may be delivered to Bidder be cable or email. Fact of submission of the clarified Tender is registered as set forth in Article 15.4 hereof.

**19. Selection of Tenders, Disqualification of Bidder**

19.1 Once envelopes are open procuring entity selects Tenders, examines them to determine whether submitted tenders, qualification data and all affixed documents are in conformity with tender documentation, announcement/invitation and other requirements of the bank. Selection procedure checks the following:

a) whether the required documents are complete;

b) whether documents are made in accordance with set standards (authorized person’s signature, date, etc.);

c) whether a Tender is in compliance with the requirements, terms and conditions and other parameters hereof.

19.2 If arithmetical errors are detected the bank shall furnish Bidder with information about it, set deadline for correction. Bidder shall correct the errors within the time limits set by the bank. If Bidder fails to accept the correction of the errors, its Tender will be rejected. Fact of submission of the updated Tender is registered as set forth in Article 15.4 hereof.

19.3 Tender Commission shall be authorized to consider a Tender to be unacceptable, reject evaluation of the Bidder and disqualify the Bidder in following cases:

a) Bidder fails to submit all required documents or/and information, and samples, if required;

b) in cases provided for in Article 15.2 herein.

c) Bidder fails to accept correction of errors as set forth in Article 19.2. hereof;

d) Tenders or/and qualification data do not comply with requirement provided for in tender dossier or/and announcement/invitation;

e) in the event of misconduct of Bidder (any afford of the Bidder to influence procuring entity in decisions with respect to evaluation of the Tender and selecting a successful Bidder, etc.);

f) if Bidder submits false information or/and documents.

g) Bidder fails to clarify a Tender within the agreed term;

h) if Bidder fails to reconfirm qualification data and/or extend validity period of submitted security/guarantee.

i) if the bank has experienced unsuccessful business partnership.

19.4. In cases provided for in Article 19.3., sub-article „a“, “b“ and „d“, the bank shall be authorized to set a new deadline. If Bidder violates the deadline, its Tender shall not be accepted to consideration. It will not be evaluated and will be disqualified.

19.5 If Bidder submits false data or fails to meet qualification requirements, the bank shall be authorized to disqualify Bidder at any stage of procurement before conclusion of the Procurement agreement,

19.6 If the lie about qualification data is revealed after conclusion of the agreement, the bank shall be authorized at any time refuse to enter into contract and demand for damages and forfeit tender security.

**20. Evaluation of Tenders**

20.1 The bank shall evaluate Tenders of the Bidders who has gone through selection and have been determined to be evaluated;

20.2 While evaluating the selected Tender procuring entity considers submitted Tenders, technical and qualitative data, specification, cost and other data.

20.3 In the event of disqualification of successful Bidder or its refuse to enter into agreement and in cases provided for in Articles 22.3 and 23.2 hereof, procuring entity shall select successful Bidder from the remaining Bidders or call for new Tenders.

**21. Contacting the Bank**

21.1 No Bidder shall contact bank on any matter relating to its Tender (except Procurement Coordination Group employees in the cases provided for by the Instruction hereby) from the time of the Tender opening to the time the successful Bidder is selected.

21.2 Any afford of Bidder to influence procuring entity in Tender evaluation and selecting successful Bidder as well as its other unfair actions may result in Tender disqualification.

22**. Notification about Contract Award**

22.1 Within 7 (seven) working days from the date the successful Bidder is named the bank shall notify the successful Bidder in written (by cable or email) and offer it to conclude Procurement agreement.

22.2 The bank shall be authorized to require Bidder to submit extra documentation (By-laws, permission/ consent, information/documentation about founders and final beneficiary, etc.), Bidder shall be informed about it via postal delivery or email. Procurement agreement shall be entered in and between the bank and successful Bidder within 20 (twenty) working days after the date of selecting a successful Bidder, date of its notification and date of submission of documentation required by the bank. If in accordance to the legislation or/and the bank’s internal regulating documents the Agreement may be concluded, providing that there is permission/consent granted by management or/and regulatory authority of the bank, 20 working day period shall start from the date the permission /consent is issued.

22.3 If successful Bidder refuses to enter into contract on the terms set out in TDS, taking into consideration arbitration clause offered by the bank or/and terms and conditions of the Tender, this shall constitute sufficient grounds for annulment of the contract award, forfeit or/and recovery of damages /forfeiture of the Tender security.

22.4. Failure of the successful Bidder to submit documentation specified in Article 22.2 hereto, within the time limit prescribed by the bank, the bank shall be authorized to annul contract award and claim for damages.

**23. Performance Security *(if applied)***

23.1 With a view to avoid successful Bidder’s default risk, performance security may be used in the way and volume specified in TDS. Bidder shall be obliged to provide performance security within the term set forth in TDS.

23.2 If Bidder undertakes to provide performance security prior to the conclusion of the agreement though failed to implement it, the bank shall be authorized to annul contract award, claim for damages or /and forfeit the Tender security.

**24. Settlements with Suppliers**

24.1 Settlement between the bank and supplier shall be made under the terms and conditions of Procurement agreement.

24.2 Settlement shall be made in accordance with volume of received goods/service/ works done after e submission of invoices or/and other required documents. However, advances would be appreciated. Information about it will be noted in TDS.

24.3 In the event of preliminary settlement, upon the bank’s request the contractor shall be obliged to provide the bank with security equal to the amount paid in advance on the terms set out in the Agreement.

**25. Void and Terminated Tender**

25.1. Tender shall be declared void, if:

a) not a single bidder/and qualification data is submitted within the set period;

b) no decision is made concerning the winner of the tender;

c) no Tender were determined to be evaluated;

d) all Bidders were disqualified.

25.2 The bank shall be authorized to terminate Tender at any stage, if:

a) significant modification of tender dossier is required due to amendments which must be made with respect to technical, economic and other indices;

b) bank has some problems related to financial security of procurement item;

c) there is no need of procurement item, for the perspective of the bank the particular purchase is no longer reasonable;

d) prices of submitted Tenders prove unacceptable for the bank;

e) qualification data submitted by Bidder or/and Tenders fail to meet the bank’s requirements;

f) force majeure circumstances;

g) due to other significant circumstances, the bank decides to declare tender terminated.

25.3 If the bank declares Tender terminated, void, and disqualification of the Bidder, the bank on no account whatever is not obliged to explain Bidders the decision made. The bank shall not be responsible or liable for any damage/expenses of any kind incurred by Bidder.

**26. Notifications/documents /information sent/received by email**

26.1 In the cases provided for by this Instruction the bank shall send documents/ information/ notification by email from e-mail address noted in announcement/ invitation.