

INSTRUCTIONS TO BIDDERS

Interior Architecture & fit-out works

City Mall

August 14th, 2018

1. Tender Requirements and Formalities

The following instructions should be carefully noted by intending Bidders, as failure to comply with them may lead to invalidation of the Bid. Following the delivery of “Instructions to Bidders”, Bidder shall check the documents for lacking pages. Should any lack of documents occur, Bidder shall immediately inform the Employer or Tender Manager. Failing in this action shall not result any postponing in the bid closure date.

In all tender documents wordings “Tenderer”, “Bidder”, “Contractor” have the same meaning. “Client”, “Employer”, “Owner” shall have the same meaning. “IG Development Georgia LLC”, “Project”, “Site” and “Works” shall have the same meaning.

One set of the following tender documents is issued for tendering:

Volume 1 – Instruction to Bidders

- 1.0. Instructions to Bidders (present document)
- 1.2. Letter of Tender
- 1.4. Appendix to Tender
- 1.5. Specimen of the advance payment Bond
- 1.6. Specimen of the performance bond
- 1.7. General Conditions of Contract (FIDIC Red Book)

Volume 2 – Bill of Quantities

Bill of Quantities;

Volume 3 – Design

Design

2. Scope of Work

City Mall project is located on busiest transport artery in Saburtalo district and has big catchment area for the retail.

Proposed project comprises four storey retail area and office tower. All interior architectural and fit-out works should be implemented in line with design specification.

The Contractor undertakes to execute the works in a way to minimize any interference to the neighboring buildings, sites, any parallel construction or finishing activities in order to prevent any consequent damage.

However, Contractors are requested to investigate the site upfront in order to make sure that the measures envisaged by the design and employer’s requirements are satisfactory in order to prevent any consequent damage.

The Contractor shall solely be liable for any third-party relations during the execution of works.

Contractor is responsible for any damage and or consequential damages caused during the full life cycle of construction and or ANY other activity during the course of the entire project scope. Any damage shall be corrected at no cost to EMPLOYER. Labour, equipment and materials necessary to repair damage shall be to CONTRACTOR’s account and shall not be reimbursable.

CONTRACTOR shall comply with EMPLOYER’s requirements on health, safety and environmental (HSE) performance in order to achieve the goals:

- No accidents
- No harm to people
- No damage to the environment.

Per contract specific sanction fees will be determined, which is for SINGLE case of violation of HSE rules – 150 USD;
For each delay of supply of the updated time schedule – 150 USD;

CONTRACTOR shall take all reasonable precautions to ensure the health and safety of EMPLOYER and CONTRACTORS' employees and the general public and for protection of the environment. CONTRACTOR shall ensure that his employees are conversant with the rules and that they comply with them.

CONTRACTOR shall provide Personal Protection Equipment (PPE) to all CONTRACTOR personnel associated with the works and PPE must be worn at all times during working on site.

3. Tender Manager

The Employer has assigned "CMC", to manage the Project. CMC will supervise tender stages of the project and it will be the contact point regarding the tender. CMC will also act as the Employer's Engineer during the execution stage.

4. Site Visit and Examination of Documents

The Bidder shall visit the site and shall be responsible for obtaining all information which may be necessary for the purpose of making a Bid and entering into a contract. He shall thoroughly examine the tender documents and satisfy himself as to risks, obligations and responsibilities to be undertaken by the Contract.

Any data if provided is given without any guarantee that the conditions as shown are truly representative of the entire site.

At the time of bid submission all Bidders are deemed to have investigated and are aware of the conditions and capabilities for logistics, procurement, manpower resources, equipment supply and/or hire/lease, the environmental, weather and working conditions, Labor Law of Georgia and any requirements of any local authorities or any third parties concerning the work in and around the project area. Bidder's failure to familiarize itself with the local conditions shall not constitute a base for price increase or time extension claims.

5. Indemnity to Employer

The Bidder and any of his employees, representatives or agents will be granted permission by the Employer to enter upon the Site for purpose of inspection in connection with the proposed Bid, but only on the condition that the Bidder will release and indemnify the Employer and his employees, representatives and agents from and against all liability in respect of personal injury, loss of or damage to property and any other loss, damage, cost and expense.

6. Doubt and Obscurities

Should there be any obscurity or ambiguity in the meaning of any part of the Tender Documents, or should the Bidder have any doubt as to the meaning of any part of the Tender Documents or as to anything to be done or not to be done in connection with the Contract or as to any other matter or thing in connection with the Tender Documents or the Contract, the Bidder must set forth such obscurity, ambiguity or doubt in writing and submit to the Tender Manager not later than 5(five) calendar days before the Bid Closure Date. **The replies to written queries, the explanations and clarifications given will be distributed to all Bidders as Notices to Bidders. No instruction, clarification or other information given verbally by the Tender Manager or any of his assistants at any meeting or discussion held in terms of this clause shall be binding or taken into account in preparing and evaluating Bids unless and until such instruction, clarification or information is confirmed in written by the Tender Manager to all Bidders.** In no case, will any procedure in connection with clarification and interpretation of Tender Documents give the right to Bidders to claim an extension of the time set for submitting Bids.

7. Language

During the tendering period, all correspondence with "CMC" shall be in English language.

8. Tender Communications

Bidders are advised all communications regarding technical issues shall be directed to” CMC” at a.jabauri@cmc.ge

9. Documents Confidential

All documents, specifications, plans, drawings and attachments of this Bid Package are the property of the Employer. Bidders are not allowed to pass/transmit/distribute these to any third parties or use these for any purpose except for preparation of this bid.

All documents issued and information given to the Bidder shall be treated as confidential and both the Employer and the Bidders are responsible for this confidentiality and in the event of a Bid not being submitted, or not being accepted, all the documents shall be immediately returned to the Tender Manager.

10. Tender Process Schedule

The Bidder should note that the Tender process envisaged schedule shall be as follows and Employer keeps the rights to change the envisaged dates:

<i>Issuance of Tender Documents</i>	<i>August 16th, 2018</i>
<i>Clarification of Doubts Documents</i>	<i>Until August 24, 2018</i>
<i>Bid Closure Date & Time</i>	<i>18:00 p.m. August 31, 2018</i>
<i>Estimated Contract Sign Date</i>	<i>17th September t, 2018</i>
<i>Estimated Commencement Date</i>	<i>19th November, 2018</i>
<i>Project Completion</i>	<i>Subject of Client's final approval: please provide own schedule for Retail and Office tower separately.</i>

11. Tender Documents to be submitted

The Bidder shall submit the complete set of tender documents as envisaged per terms and conditions of the electronic procurement platform WWW.TENDERERS.NET. In case if you require technical assistance in registering your company to the e-platform, uploading the file or in any cases of your concern, please contact Salome Jishkariani for assistance

No electronic copies sent with electronic mail will be accepted.

Design and specifications provided in the Tender Document is only for Contractor's consideration, Contractor is allowed to use the equipment of the different manufacturer but with the corresponding quality.

Under current circumstances tenderers are supposed to provide their bids on unit price consideration method. Final design and quantities (volumes) will be measured within project implementation process. Absence of any supplementary material within BOQ - IN NO WAY LIMITS CONTRACTOR'S OBLIGATIONS under the Contract to provide ALL THE WORKS described elsewhere (in the design documents, specifications, Contract etc.) "FIT FOR PURPOSE" - under the principle of "FIXED UNIT PRICE ASSUMPTION" as stated in the Contract.

Along with BoQ the following documents shall be prepared by the Tenderer and submitted with the tender:

- Report regarding any discovered deviations of quantities or works from the design
- Site organization / installation plan

- Project Time Schedule – minimum Level 3; (Detailed time schedule, breakdown according to the principle of work packages envisaged in the BoQ, showing the sequence of the tasks, timing and interdependencies of the works execution, indicating progression per locations, durations and succession)
- Detailed financing schedule
- Equipment & manpower Planning List / Resource Schedule
- Notice of Subcontractors / Subcontractor List;
- Brand List of materials suggested.
- Confirmation for availability of performance and advance payment bonds, issued by the bank accepted by the Employer.
- Excerpt from Entrepreneurs' Registrar showing authorized signatories
- Excerpt from Entrepreneurs' Registrar confirming that the Tenderer is not under reorganization or liquidation
- Confirmation from Public Registry that there are no liens imposed on Tenderer
- Confirmation that there are no unsettled liabilities towards state budget (incl. tax liabilities)
- Confirmation that the Tenderer is not under bankruptcy proceedings
- Confirmation from banks that there are no unsettled liabilities towards the banks
- VAT certificate
- Most recent financial statements (balance sheet and income statement)

12. Quantities

The Bidders are solely responsible for providing unit price for each item and material breakdown or any required additional specification is solely on their consideration, without price tag increase for each listed unit. Total Quantity take-off will be finalized after final design approval.

13. Pricing

The total price per each item shall include all applicable overheads, custom duties, taxes and all other expenses that may be imposed on the Contractor on the territory and outside of Georgia during execution of Works.

Each unit rate shall include the cost of procurement of all necessary materials & equipment, accessories and components required for construction-and-assembling operation, transportation, utility costs during the construction, custom fees and labor & Installation works in accordance with the construction technology, norms and standards of Georgia.

Documents are to be for the full inclusive value of the finished work as envisaged in the documents as a unit price assumption.

The Bill of Quantities shall contain items for the design (if required), construction, installation, as built drawings and testing work to be executed by the Contractor.

14. Late Bids

Any bid received by the Tender Manager after the deadline for submission of bids prescribed in by the Employer, will be rejected and/or returned unopened to the Bidder.

16. Expenses of Bid

The Employer shall not be responsible for nor pay any expense which may be incurred by any Bidder in the preparation and submission of his Bid.

17. Acceptance

The Employer does not bind himself to accept the lowest or any Bid and will not state a reason for the acceptance or rejection of a Bid and reserves the right to disqualify any non-responsive bid.

The Employer reserves the right to cancel the bid at any time. Should occur such cancellation, Bidders shall not be entitled to claim for any kind of reimbursement.

18. Measureable Fixed Unit Price

The Bidder should note that the fixed Unit price covers Work not expressly indicated on the BOQ spreadsheet specification breakdown. The descriptions contained in the Bills of Quantities for each item are not necessarily complete. The Contractor is referred to the Conditions of Contract and other documents and Drawings as well as relevant Standards and Codes of Practices for further information as no claim or variation will be considered on account of the Contractor's failure so to do (regarding the unit price assumption). The payment to the successful Contractor will be calculated based on the executed Works certified by PM of respective item of Work specified in BoQ.

19. Currency

The currency of the Contract will be the USD (United States Dollar) and prices shall be quoted in USD (United States Dollar) only. The payments under the Contract will be made in GEL using the exchange rate of USD/GEL announced by the National Bank of Georgia as for the date of payment.

20. Conditions of the Contract

The Contract with successful Bidder will be signed based on the terms and conditions of the draft contract attached (FIDIC Yellow Book).

21. Performance Security

The Bidder is notified that the Performance Security, to be provided by the successful Bidder under the provisions of the Draft Contract, shall be 10 % of the accepted contract amount and must be issued from a first-class International Bank or a leading Georgian Bank.

The bank and the terms of the Performance Bond shall be subject to the approval of the Employer. A specimen form of Performance Bond is provided as the Appendix to the Tender in Volume 1.

½ of the performance monies will be issued to the Contractor upon completion of the works and issuing of the Take-Over Certificate. Another half will be returned after 12 months from issuing Take-Over Certificate.

22. Advance Payment Security

Maximum 30 % of the “Accepted Contract Amount”, in the currencies and proportions in which the Accepted Contract Amount is payable. Advance payment will be paid in one installment not later than within 10 (ten) calendar days from receipt of the claim together with the Advance Payment Bank Guarantee of EQUIVALENT AMOUNT, in the form provided by Employer

23. Principle of Works Execution

As per the principles of Fixed Unit Price Contract, the Works by the Contractor shall be fully in accordance with the Contract and **“fit for the purposes” for which they are intended**. The Works shall include any work which is necessary to satisfy the agreed requirements, the Time Schedule, all provisions express or implied by the Contract and Tender Documents, or arising from any obligation of the Contractor, and all works not mentioned in the Contract but which may be inferred to be necessary for stability or completion or the safe, reliable and efficient operation of the Project.

Contractors will be requested to operate the contract on the basis of **“Open Book”**. **“Open Book” shall mean full and complete disclosure to the Employer by the Contractor and Subcontractors of all information (including, without limitation, disclosure of elemental costs, overheads, profit margins, Subcontractor's cost's and all discounts and rebates or other incentives that may impact on the risks, prices, fees or other monies due to the Contractor and/or any Subcontractor);**

“Open book basis” in its full content should also apply to All Variations, in particular - for any items or services, for which unit rates has not been set forth in the contract BOQ. Under the same principle of “Open Book”, if the price

suggested by the Contractor will be found “unreasonable”, the Employer shall be authorized to instruct the Contractor to use any Plant and Materials it chooses to use - instead of Plant and Materials disclosed under the Requested Information.

All quantities under the variations (if any) will be re-measurable.

By signing the present instruction, tenderer confirms full adherence and acceptance of the terms and conditions listed above

Location.....

Date.....

Authorized signature

Name

Company

/Stamp/

Address