

Rent Agreement

The present Rent Agreement (hereinafter the “**Agreement**”) has been entered into on 1st day of May, 2022 by and between the following parties:

Czech Republic – Czech Development Agency, registered no: 75123921, registered office Nerudova 3, 118 50 Prague, Czech Republic, represented by Michal Minčev, director (hereinafter the “**Tenant**”) on one hand, and on the other hand,

Mr. Rati Khvistani (Personal No. 01025017325), residing at Petrishvili st. 17-25, 0131, Tbilisi, Georgia (hereinafter the “**Landlord**”), each of them separately referred to as a “**Party**” and collectively – “**the Parties**”, hereby agree as follows:

Recitals

Whereas

A. **The Landlord** wishes to rent to the **Tenant** with a right to temporary use the immovable property described in Article 1 below and the **Tenant** agrees to receive the mentioned immovable property with the right to temporary use and pay the **Landlord** the agreed rent amount;

B. The Parties intend to give their agreement binding legal force through signing an updated edition of the **Rent Agreement**;

Now therefore, the Parties agree as follows:

1. Subject of the Contract

1.1. The Landlord transfers to the Tenant in temporary right to use an Apartment N 1, located in Georgia, Tbilisi, N 1 Vakhtang Lezhava Street, (Cadastral Code: 01.14.07.007.031.01.026) (hereinafter “**Property**” or “**Apartment**”).

1.2. The rented **Property** shall be used for residential purposes. The afore-mentioned **Property** is duly owned by the Landlord.

2. Term of the Agreement

2.1. **Agreement** will be published by the Tenant in the contract register and enters into force upon its publication and remains in force until 31 March, 2023.

2.2. Parties agree that terms of payment and the amount of rent to be paid by the **Tenant** to the **Landlord** shall not be changed during entire validity term of this **Agreement**.

2.3 The **Tenant** is authorized to prolong the term of the upon a written notice served to the **Landlord** 2 (two) week’s prior to expiration of the term of the **Agreement** indicated in Article 2.1 hereof with the additional term as mentioned in the said notice.

3. Rights and Obligations of Tenant

- 3.1. The **Tenant** is authorized to use the **Property** in accordance with this **Agreement** and applicable legislation.
- 3.2. The **Tenant** is obliged to follow all domestic regulations.
- 3.3. The **Tenant** is obliged to pay the rent under Article 5 of this **Agreement**.
- 3.4. The **Tenant** is obliged to pay the utility costs (telephone, electricity, water, cleaning, gas, etc.) during the entire duration of the **Agreement**.
- 3.5. The **Tenant** is entitled to request from the Landlord transfer of the **Property** which is free from any incumbency in favour of third parties. Such **Property** shall be useful for rent purposes during the entire duration of the **Agreement**.
- 3.6. The **Tenant** shall be allowed to have a dog at the premises of the **Property**;
- 3.7. **Tenant** is obliged to provide the accuracy and keep the **Property** in good condition, and repair or replace the items (furniture/appliances) damaged, broken, destructed or lost by the Tenant, excluding damages caused by normal wear/tear and/or force-majeure circumstances.
- 3.8. The **Tenant** is obliged to inform the **Landlord** about any damage in the **Property**.
- 3.9. The **Tenant** upon the expiration of the **Agreement** shall return the **Property** to the **Landlord** in the same state he received it except for normal tear and wear.

4. Rights and Obligations of Landlord

- 4.1. The **Landlord** is obliged to transfer the **Property** free of any incumbency upon conclusion of the **Agreement**.
- 4.2. The **Landlord** shall hand over the **Property** to the **Tenant** in a clean and acceptable condition.
- 4.3. The **Landlord** is responsible to pay all existing utility bills such as electricity, gas, water, telephone, etc prior to letting the **Property** for rent hereunder.
- 4.4. The **Landlord** is responsible for the defects of transferred **Property** if the defect prevents its purposeful use. This condition also concerns the case if the defects existed at the moment of signing the **Agreement** and the **Tenant** was not informed and may not have been informed thereupon.
- 4.5. The **Landlord** is obliged to keep the heating and conditioning systems working during the whole period of the **Agreement**.
- 4.6. The **Landlord** is obliged to decrease the rent amount to the amount in proportion with the defect of **Property** defined by this **Agreement**, if the **Landlord** is not able to correct the defect or change it with new one.
- 4.7. The **Landlord** is obliged to immediately take the appropriate measures needed for protection of the **Property** (e.g. in case of damage of pipeline). If such measures were taken by **Tenant** due to urgency, **Landlord** is obliged to reimburse the **Tenant** such fees fully.
- 4.8 The **Landlord** is obliged to incur all administrative expenses related with the **Property** (security, cleaning, etc).

4.9 The **Landlord** may enter the Apartment only in case of emergency, in any other cases entry to the Apartment shall only be allowed upon preliminary notice served by the **Landlord** to the **Tenant** within a reasonable time period.

5. Rent and Payment Terms

5.1. Total monthly fee, defined by the **Agreement** amounts to USD 1000 (one thousand) (hereinafter the "Rent").

5.2. The **Tenant** is liable to pay the Rent for each following month between 1st and 10th day of the month. Under the **Agreement** of the Parties, upon execution of this **Agreement**, the **Tenant** shall pay the **Landlord** the first and last months' rent payments together in the amount of USD 2000 (two thousands).

5.3. All Rent payments under this **Agreement** shall be made in national currency at the exchange rate fixed by the National Bank of Georgian for the date of payment.

5.4. The **Landlord** shall be responsible for payment the income tax related with Rent under applicable Georgian legislation. Prior to signing this **Agreement**, the **Tenant** has presented to the **Landlord** a Tax Payer Certificate issued to its name by the LEPL Revenue Service.

5.5. The Tenant shall pay the Rent in agreed terms as per this Agreement to the account of the Landlord IBAN :GE24TB7263745061600008, SWIFT: TBCBGE22 held with JSC TBC Bank, Tbilisi, Georgia.

6. Liability

In case of non-fulfilment or undue fulfilment of the obligations under the **Agreement**, the Parties are liable in accordance with the active legislation of Georgia and the conditions and rules stipulated hereunder.

7. Force-majeure

7.1 The Parties are released from the liability resulting from the non-fulfilment of the obligations, foreseen by this **Agreement**, if it is confirmed that the non-fulfilment of the obligations was caused by the force-majeure.

7.2. The Parties are obliged to inform each other in a written form without delay upon commencement and completion of force-majeure circumstances.

8. Termination of the Agreement

8.1. The **Agreement** can be terminated in the following cases:

8.1.1. After the expiration of the term of the **Agreement**;

8.1.2. By the **Agreement** of the Parties;

8.1.3. By the request of one of the Parties, in case of regular breach of the **Agreement** terms by the other one. The Party is obliged to inform another Party regarding its decision on termination 1 (one) month prior to such termination.

8.2. The **Landlord** has the right to terminate the **Agreement** unilaterally in the following circumstances:

8.2.1. If the **Tenant** become insolvent;

8.2.2. The **Tenant** is severely violating the obligations under this **Agreement**;

8.3. The **Tenant** may terminate the **Agreement** unilaterally with one month notice period.

9. Final Provisions

9.1. The **Agreement** may only be amended by a written document signed by both Parties;

9.2. In case any Article of this **Agreement** becomes void, this shall not affect the validity of other Articles.

9.3. The disputes between the Parties will be solved by negotiations. In case of failure of Parties to achieve **Agreement**, the dispute shall be resolved in the relevant courts of Georgia in accordance with the Georgian legislation.

Signatures of the Parties on:

The Landlord

The Tenant

Rati Khvistani

Michal Minčev
