

Annex 1 to the Tender Documentation

APPROVED

By the Order of the Ministry of Finance of the Kyrgyz Republic dated "21" September 2017 No. 126-II

By the Order of the State Enterprise "Issyk-Kul" Hotel - Shopping Complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic dated "4" August 2017 No. II-18

## DRAFT PUBLIC-PRIVATE PARTNERSHIP AGREEMENT<sup>1</sup>

"Reconstruction of the "Issyk-Kul" hotel - shopping complex in the city of Bishkek"

between

The State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic and

[FULL NAME OF THE PRIVATE PARTNER]

Kyrgyz Republic, city of Bishkek [DATE]

<sup>1</sup> The present draft PPP Agreement is Annex 1 to the Tender Documentation and was prepared exclusively in order to familiarize the Tenderers with the terms and conditions of the agreement between the Public Partner and the Private Partner selected as the Successful Tenderer. The draft PPP Agreement does not constitute the Public Partner's offer to conclude a contract, the Public Partner reserves the right to unilaterally make amendments and additions to the draft PPP Agreement in the manner prescribed by the Legislation.

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THIS PUBLIC-PRIVATE PARTNERSHIP AGREEMENT for the reconstruction of the "Issyk-Kul" hotel and shopping complex in the city of Bishkek (hereinafter referred to as the "Agreement") was concluded on [DATE] (hereinafter referred to as the "Date of Signing") in the city of Bishkek, Kyrgyz Republic, between: The State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic, acting in accordance with the Law of the Kyrgyz Republic "On public-private partnership in the Kyrgyz Republic" dated February 22, 2012 No. 7 (as amended on June 22, 2016) and the Charter of the State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic approved by the order of the Property Management Department of the President and the Government of the Kyrgyz Republic dated March 11, 2014, No. 37, hereinafter referred to as "Public Partner", represented by [FULL NAME], [POSITION], on the one hand; and

[NAME], a legal entity, established and operating in accordance with the legislation of the Kyrgyz Republic and the Charter, hereinafter referred to as the "Private Partner" represented by [FULL NAME], [POSITION], on the other hand.

The Public Partner and the Private Partner hereinafter collectively referred to as the "Parties" and individually as the "Party".

#### WHEREAS

- A. The tourism industry development program till 2020 was approved by the resolution of the Government of the Kyrgyz Republic "On the Program of the Government of the Kyrgyz Republic on the development of the tourism industry till 2020" dated April 11, 2016 No. 192 of the Government of the Kyrgyz Republic for the purpose of implementing the National strategy for sustainable development of the Kyrgyz Republic for the period 2013-2017 approved by the Decree of the President of the Kyrgyz Republic dated January 21, 2013 No. 11. In accordance with the Action plan for implementation of the tourism industry development program till 2020 of the Government of the Kyrgyz Republic the Public Partner takes measures to attract private investments on the basis of PPP for reconstruction of the "Issyk-Kul" hotel-shopping complex.
- B. On "24" April 2017 the State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic in accordance with the order No. П-17 "On reconstruction of the "Issyk-Kul" hotel-shopping complex in the city of Bishkek" initiated the public-private partnership project "Reconstruction of the "Issyk-Kul" hotel-shopping complex" in the city of Bishkek" (hereinafter referred to as the "Project");
- C. On June 14, 2017, the Authorized public authority in the sphere of PPP by its order No. 132 approved the positive opinion regarding the Project;
- D. On "26" September 2017 the Tender Committee formed by the State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic in order to conduct the tender for the Project published in the "Erkin too" newspaper an invitation to tender and subsequently conducted the tender in accordance with the Tender Rules and Tender documentation, approved by the Public authority for risk management by the order No. 126-П dated "21" September 2017 and by the State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic by order No. П-18 dated "4" August 2017 (hereinafter referred to as the "Tender");
- E. [DATE] the Tender Committee in accordance with the Protocol No. [NUMBER] dated [DATE] made a decision to recognize the Private Partner as the successful tenderer and to conclude the Agreement between the Public Partner and the Private Partner.

THEREFORE, the Parties have agreed to conclude this Agreement on the terms and conditions set out below.

## 1. TERMS AND INTERPRETATION OF THE AGREEMENT

### 1.1. Terms

The terms used in this Agreement shall have the following meanings, unless otherwise expressly stipulated by the Agreement:

"Acceptance certificate" – the Facility commissioning certificate issued in accordance with the Legislation after completion of the works on Reconstruction and Building of the Facility and all other Commissioning Terms and Conditions pursuant to this Agreement.

"Acts of the Public Partner" - orders, standards, regulations, instructions, rules and other departmental acts adopted by the Public Partner or by other public authorities of the Kyrgyz Republic binding on the Private Partner and relating to the Project.

"Arbitration" - has the meaning given to it in article 22.3.1.

"Bank guarantee" - has the meaning given to it in article 14.

"Contribution of the Private Partner's Founder" means the monetary funds provided to the Private Partner by the founders or affiliates of the Private Partner for the Project objectives.

"Commissioning" - means the Facility and Equipment commissioning.

"Public Support" – types of the state financial and state economic support provided by the Public Partner for the Project in accordance with the Law on PPP, the list of which is given in the *Annex 8*.

"Public Partner" - has the meaning given to it in the preamble to the Agreement.

"Project Implementation Schedule" - means the schedule defining the stages and timeframes of the Project implementation by the Private Partner provided in *Annex 9*.

"PPP" - public-private partnership.

"Commissioning Date" means the date of issue of the Acceptance Certificate.

"Effective date" - has the meaning given to it in article 3.2.

"Signing Date" - has the meaning given to it in the preamble to the Agreement.

"Termination date" - means any of the following days, depending on the circumstances:

- (i) the day of the Agreement validity period expiration;
- (ii) the day of the signing of the agreement on the termination or any other date specified in such agreement;
- (iii) the day specified in the Notice of Termination

"Indebtedness" - means the total outstanding amount on borrowed funds, attracted and spent by the Private Partner for the Project objectives, as well as all interest, penalties and expenses accrued or due under the terms and conditions of the applicable debt instruments as of the Date of Termination in each case.

"Law on PPP" – the Law of the Kyrgyz Republic "On public-private partnership in the Kyrgyz Republic" dated February 22, 2012 No. 7 (as amended on June 22, 2016).

"Legislation" - means the set of all regulatory acts applicable in the Kyrgyz Republic.

"Notified Party" - has the meaning given in article 21.6.1.

"Amendment in the Legislation" means the adoption or amendment of the Legislation or Acts of Public Partner after the date of this Agreement, which results in Material Losses for the Private Partner.

"Change of Control" - means [sale of all or substantial part of the assets of the Private Partner; or any change of ownership rights constituting more than fifty percent (50%) of the participation interest/voting shares of the Private Partner].

"KR" – the Kyrgyz Republic.

"Coordination Committee" - has the meaning given to it in article 16.1.

"Public Authority for Risk Management" – the Ministry of Finance of the Kyrgyz Republic.

"Authorized Public Authority in the sphere of PPP" – the Ministry of Economy of the Kyrgyz Republic.

"Violation by the Public Partner" - means a case of violation committed by the Public Partner, which may result in early termination of the Agreement in accordance with article 21.4.

"Violation by the Private Partner" - means a case of violation committed by the Private Partner, which may result in early termination of the Agreement pursuant to article 21.3.

"Equipment" - has the meaning given to it in article 5.1.

"Facility" - has the meaning given to it in article 5.1.

"Obligations of the Private Partner" means the obligations of the Private Partner stipulated by the Agreement, including the obligations stipulated by the Joint Action Plan.

"Special Circumstance" has the meaning given to it in article 17.1.

"Transferred Property" means all the exclusive and non-exclusive Rights to the Facility, the Right to Equipment and all other assets related to the Project, including the intellectual property rights in the appropriate software and contracts with Third Parties, in each case in the same amount and transferred under the same terms and conditions as the rights acquired and actually used by the Private Partner in connection with the Project.

"Personnel" - individuals involved by the Private Partner for the purposes of the Project implementation and having relationships with the Private Partner through the employment and/or civil law contracts.

"Joint action plan" - has the meaning given to it in article 21.6.2.

"Injured Party" - has the meaning given to it in article 19.2.1.

"Rights to Equipment" means the Private Partner's rights to the Equipment, including the right of ownership and/or use (lease) of the Equipment.

"Right to Facility" – the Private Partner's rights to the Facility, including the right of ownership and/or use (lease) of the Equipment.

"Government Intervention" - one (any) or several of the following circumstances:

- i. requisition, nationalization or seizure of the Project and/or the Private Partner (including shares of the Private Partner, the Facility and (or) any or all Equipment and/or other Project Assets) by the Public Partner or other public authority of the KR;
- ii. any act or inaction of the Public Partner or any other public authority of the KR, which discriminates or has disproportionate impact on the Project and/or the Private Partner in comparison with similar projects in the KR and having material and negative financial influence on the Project and/or the Private Partner; and
- iii. intervention of the Public Partner and/or other public authority of the KR into the business activity of the Private Partner, significantly hindering performance by the Private Partner of its obligations under this Agreement

"Terminating Party" - has the meaning given to it in article 21.6.1.

"Applicable Permissions" - licenses (including the License), certificates, permits, approvals and all other permissions listed in Annex 2, which are required for the Private Partner and/or its Personnel for the Project implementation.

"Project" – has the meaning given to it in the preamble to the Agreement.

"Project Investments" - has the meaning given to it in article 13.

"Reorganization" - means reorganization (corporate restructuring) of the Private Partner as defined in article 92 of the Civil Code of the Kyrgyz Republic.

"Environmental and Social Risk Management System" - means the Private Partner's environmental and social risk management system developed and maintained in accordance with article 12.1.

"Agreement" - has the meaning given to it in the preamble to the Agreement.

"Facility Creation" - has the meaning given to it in article 5.1.

"Dispute" - has the meaning given to it in article 22.2.

"Agreement Validity Period" - has the meaning given to it in article 3.2.1.

"Insurance" - has the meaning given to it in article 11.2.

"Tender" - has the meaning given to it in the preamble to the Agreement.

"Tender Security" - means a bank guarantee provided by the Private Partner within the framework of the tender according to the Tender Rules.

"Technical requirements" – the requirements of the Public Partner to the Facility stipulated by Annex 1.

"Technical Proposal" - mean the Private Partner's technical proposal submitted for the Tender purposes taking into account the minimum requirements and functional requirements for the Technical proposal specified in the Tender Rules.

"Third party" – has the meaning given to it in article 9.1.

"Losses" - has the following meaning:

- i. the expenses, costs and other obligations incurred by the Private Partner, including any charges, taxes or duties imposed by any public authority; and/or
- ii. lost revenues of the Private Partner.

"Notice of termination" - has the meaning given to it in Article 21.6.1.

"Commissioning terms and conditions" - has the meaning given to it in article 5.3.

"Conditions for entry into force" - means the terms and conditions set forth in articles 3.3 and 3.4 upon performance of which the Agreement shall enter into force.

"Private Partner's Founder" - means the owner and/or participant and/or shareholder owning participation interest and/or shares of the Private Partner.

"Force Majeure Circumstance" - means the circumstance, which is beyond the control of the Parties, which resulted in the impossibility to perform obligations under the Agreement including: wars, revolutions, insurrection, civil disobedience, mass riots, other coups, civil commotion, sabotage, acts of terrorism, natural disasters, fires, earthquakes, floods, storms, hurricanes, epidemics and epizootics and other circumstances of insuperable force that neither Party can anticipate or prevent by reasonable measures. In particular violation of obligations on the part of counteragents, absence of goods required for performance, lack of monetary funds shall not belong to force majeure circumstances.

"Functional Requirements" – requirements of the Public Partner to the Facility stipulated by Annex 10.

"Private Partner" - has the meaning given to it in the preamble to the Agreement.

## 1.2. Interpretation of the Agreement

In this Agreement the following rules of interpretation shall apply:

- i. headings are for convenience only and shall not affect the meaning of this Agreement;
- ii. each of the Annexes is an integral part of this Agreement and may be amended or supplemented from time to time by signing an addendum to such Annex or restated Annex by the Parties;

- (iii) this Agreement consists of the main text and Annexes; reference to the Annex means a reference to the appropriate Annex of this Agreement; in case of difference or conflict between the provisions of the main text and Annexes, the provisions of the main text shall prevail;
- (iv) the words and expressions "includes", "including", "inter alia", "in particular" shall be interpreted without restriction of the listing, which follows them;
- (v) unless the context of the Agreement otherwise requires, words defining the singular include the plural and vice versa;
- (vi) the present Agreement is divided into articles; a reference to any article without specifying a document shall mean a reference to the relevant article of the present Agreement;
- (vii) a reference to a regulatory legal act shall be interpreted as a reference to such regulatory legal act as amended as of the relevant time;
- (viii) unless the context of the Agreement otherwise requires, "day" shall mean a calendar day, "month" shall mean a calendar month;
- (ix) if the date of expiry of the relevant timeframe is a non-working day, then the nearest working day following immediately after it shall be deemed as the end of such timeframe;
- (x) the words denoting persons shall include natural persons and legal entities, as well as their successors.

## **2. REPRESENTATIONS AND CONFIRMATIONS BY THE PARTIES**

### **1.1. Representations and confirmations made by the Public Partner**

As of the Date of Signing, as well as during the Validity Period of the Agreement the Public Partner represents and confirms to the Private Partner as follows:

- (i) The Public Partner is a state enterprise, which carries out its activities in accordance with the Legislation and has the right and powers to conclude the Agreement and to perform the obligations stipulated by the Agreement; all approvals, permits and other authorizations required to the Public Partner for conclusion and implementation of this Agreement have been obtained and are valid.
- (ii) Conclusion and implementation of this Agreement do not violate and will not violate the provisions of any agreement or obligation, to which the Public Partner is a party, and any regulatory legal acts or other acts regulating or relating to the activity of the Public Partner.
- (iii) This Agreement constitutes valid, legally binding and enforceable obligation of the Public Partner.



- (iv) Dispute settlement procedure stipulated by this Agreement complies with the Legislation, is valid, recognizable and enforceable in the courts of the Kyrgyz Republic.

#### 1.2. Representations and confirmations made by the Private Partner

As of the Date of Signing, as well as during the Validity Period of the Agreement the Private Partner represents and confirms to the Public Partner as follows:

- (i) The Private Partner is a legal entity, established and operating in accordance with the Legislation.
- (ii) The Private Partner has the right and powers to conclude the Agreement and perform the obligations stipulated by the Agreement. All approvals, permits and other authorizations required to the Private Partner for conclusion and implementation of this Agreement have been obtained and are valid.
- (iii) Conclusion and implementation of this Agreement do not violate and will not violate the provisions of the charter, foundation agreement, decisions and other documents of the Private Partner; the provisions of any agreement or obligation, to which the Private Partner is a party; as well as the provisions of the regulatory legal acts or other acts regulating or relating to the activity of the Private Partner.
- (iv) This Agreement constitutes valid, legally binding and enforceable obligation of the Private Partner.
- (v) The documents and information provided by the Private Partner and/or by the Founder of the Private Partner in the process of participation in the Tender, including, without limitation, the documents and information provided upon submission of the application for participation in the Tender, information in the Technical Proposal are true and complete.
- (vi) The Private Partner and the Founder of the Private Partner are not in the process of liquidation and/or have not been recognized as insolvent (bankrupt) and there are no prerequisites for the liquidation and/or recognition of the Private Partner and/or the Founder of the Private Partner as insolvent (bankrupt).
- (vii) The Private Partner and the Founder of the Private Partner have no arrears to the budget of the KR of any level or to the extra-budgetary fund for payment of taxes, duties and other compulsory payments.

#### 1.3. Consequences of violation of representations and confirmations

In accordance with the Legislation each Party shall be entitled to reimbursement for the losses, costs, expenses and other liabilities incurred by it as a result of the fact that any representations and confirmations of the other Party, as set out in this article, 2 are incorrect, inaccurate or misleading as of the Date of Signing.

### 3. SUBJECT MATTER, ENTRY INTO FORCE VALIDITY PERIOD OF THE AGREEMENT

#### 3.1. Subject matter of the Agreement

The subject matter of the Agreement is the reconstruction and operation of the "Issyk-Kul" hotel-shopping complex in the city of Bishkek. For the purpose of reconstruction and operation of the "Issyk-Kul" hotel-shopping complex the Private Partner assumes, among other things, at the expense of its own and attracted investments the following obligations:

#### **Compulsory:**

(i) STAGE 1. Reconstruction of the existing building, attached premises and landscaping of the territory. This stage shall involve a complete renovation of the existing building, including replacing all furniture and technical equipment of the hotel. In addition, this stage includes construction of new adjoining premises with indicative floor area of 7 000 square meters: construction of good lighted vestibule, meeting rooms, fitness center, swimming pool and banqueting halls according to the functional requirements to the PPP project facilities established in Annex 10 to this Agreement;

#### **Recommended (Stages 2, 3):**

(ii) STAGE 2. Construction of the Congress Hall. The second stage shall involve the construction of the premises with the indicative floor area of 6 000 square meters, whose primary function is the Congress Hall. Due to considerable sizes, the Congress Hall is the premises transformable into separate rooms with all amenities for a successful presentation. In the premises to be attached it is expected to accommodate lobby, dressing room, halls, kitchen and ceremonial hall. The lobby can be used for coffee breaks and exhibitions. The floor area of the Congress Hall is approximately 1000 m<sup>2</sup>, designed for 1000 seats;

(iii) STAGE 3. Construction of octagonal block. This stage shall involve construction of the octagonal block consisting of presidential rooms, "Lux" category rooms and the café-bar on the top floor 16. This block involves a separate entrance to the underground garage, designed for arrival of important guests, as well as a separate elevator. The planned floor area of the octagonal square block is 7 700 sq. m.;

(iv) Operation of the "Issyk-Kul" hotel-shopping complex from the date of its Commissioning within the timeframes stipulated by this Agreement through the establishment of the project company with the participation of the Public Partner. Participation interest of the participants in the property of the project company shall be proportional to their contributions to the authorized capital and shall be calculated in percentage terms. The share of Public Partner must not exceed one third of the shares in the project company's assets. The share of the Public Partner shall be determined through the evaluation by the independent evaluation company the value of the right to use the property complex of the "Issyk-Kul" hotel - shopping complex, including the 8-floor building, catering block with a total floor area of 12900 square meters and a land plot with a total floor area of 3.64 hectares for the duration of the PPP project. Profit shall be distributed proportionally to the contributions made by the participants.

(v) Transfer of property complex of the "Issyk-Kul" hotel - shopping complex with made separable and inseparable improvements and newly constructed, acquired Facilities and Equipment to the Public Partner on a pro bono basis within the timeframes and in the manner stipulated by this Agreement, including by assignment/transfer of the Private Partner's share in the project company to the Public Partner.

#### 3.2. Entry into force and validity period of the Agreement

3.2.1. The Agreement shall enter into force on the day when all the Conditions for Entry into Force will be met or cancelled in accordance with articles 3.3 and 3.4 (hereinafter referred to as the "Date of Entry into Force"), except for the provisions set forth in article 3.5., which shall enter into force and apply from the Date of Signing) and shall be valid within the following time periods from the Date of Entry into Force (hereinafter referred to as the "Validity Period of the Agreement"):

- in the event of the Stage 1 implementation - within 20 years or within the period established by the alternative proposal of the Private Partner;

- in the event of the Stage 2 implementation - within 30 years;
- in the event of the Stages 1, 2, 3 implementation - within 40 years

3.2.2. The Agreement may be early terminated on grounds and in the manner prescribed by Article 21 and/or by the Legislation.

3.3. Conditions for Entry into Force to be fulfilled by the Public Partner

As a precondition for the Agreement entry into force the Public Partner must form and convene the Coordination Committee.

3.4. Conditions for Entry into Force to be fulfilled by the Private Partner

3.4.1. As a precondition for the Agreement entry into force the Private Partner must:

- (i) appoint representatives of the Private Partner to the Coordination Committee;
- (ii) provide a Bank Guarantee in the form given in *Annex 7* and
- (iii) provide to the Public Partner the documents confirming availability of investments in the form of cash or irrevocable commitments of the lenders and/or investors.
- (iv) repay the Public Partner's accounts payable generated in connection with the operation and maintenance of the property complex of the "Issyk-Kul" hotel-shopping complex or the Agreement implementation on the date of the Agreement entry into force.

3.4.2. The Parties shall confirm fulfillment of the Conditions for Entry into Force by signing appropriate letter of confirmation.

3.4.3. If any Condition for Entry into Force is not fulfilled or cancelled after two (2) months from the Date of Signing taking into account the provisions of article 3.4.3, each Party shall be entitled to declare the Agreement null and void, except for the provisions of article 3.5.

3.4.4. If the Agreement does not enter into force (except for the provisions of article 3.5.) as a result of the Private Partner's failure to fulfill all or part of the Conditions for Entry into Force in accordance with article 3.4.1, the Public Partner may retain the full amount of the Tender Security. If the amount of the Tender Security is not enough to reimburse to the Public Partner for the losses, costs, expenses and other liabilities incurred by the Public Partner as a result of the non-entry into force of the Agreement, the Public Partner may claim damages within such additional amount.

3.5. The terms and conditions of the Agreement entering into force on the Date of Signing

The following provisions of the Agreement shall enter into force on the Date of Signing:

- (i) the provisions of this article 3;
- (ii) the provisions of articles 13-14;
- (iii) the provisions of articles 17-25

#### **4. MAIN OBLIGATIONS OF THE PARTIES**

4.1. The Private Partner is obliged, inter alia:

4.1.1. Subject to fulfillment of the terms and conditions of this Agreement and in accordance with the Technical Proposal, under its own responsibility and at its own expense, to provide financing for the reconstruction and construction of the "Issyk-Kul" hotel-shopping complex Facilities, to equip, operate and maintain the Facilities and to observe, implement, comply with and perform all of its obligations set forth in this Agreement or arising in connection with it according to the functional requirements to the PPP project facilities fixed in Annex 10 to this Agreement.

4.1.2. To repay the Public Partner's accounts payable generated in connection with the operation and maintenance of the property complex of the "Issyk-Kul" hotel-shopping complex or the Agreement implementation on the date of the Agreement entry into force.

## 5. FACILITY

### 4.1. Facility

(i) The Private Partner is obliged at its own expense to reconstruct the existing building, attached premises and carry out landscaping of the territory of the "Issyk-Kul" hotel-shopping complex, to carry out construction of the good lighted vestibule, meeting rooms, fitness center, swimming pool and banqueting halls (hereinafter referred to as the "Facility"), and is obliged to maintain the Facility in good condition complying with the requirements of at least 4-star Hotel according to international standards.

#### (i-i) Recommended.

The Private Partner is obliged to carry out:

- construction of the Congress Hall;

- construction of the octagonal 16-storey block, consisting of the presidential suites within the timeframes stipulated by this Agreement (hereinafter referred to as the "Facility"), and is obliged to maintain the Facility in good condition complying with the requirements of at least 4-star Hotel according to international standards

#### (ii) Equipment

The Private Partner is obliged at its own expense to acquire right of ownership of the equipment and commodity and material valuables for equipping the Facility of the "Issyk-Kul" hotel-shopping complex (hereinafter referred to as the "Equipment"), and to ensure its importation, registration, certification, declaration, installation, maintenance, repair, replacement of spare parts and components, use of the Equipment, as well as to maintain the Equipment in a condition complying with the requirements of the Legislation (hereinafter referred to as the "Equipment Operation").

### 5.2. Obligations in respect of the Facility and Equipment

#### 5.2.1. Within the Validity Period the Agreement, the Private Partner is obliged:

- (i) to preserve and maintain the Facility in a condition complying with the technical requirements and to maintain the Equipment in a condition appropriate to provide hotel services;
- (ii) to prevent encumbrance of the Rights to the Facility and Rights to the Equipment by collateral and any other forms of security and encumbrance;
- (iii) not to transfer the Rights to Facility and the Rights to the Equipment or Applicable Permits for the Equipment Operation to any third parties;
- (iv) to prevent causing damage to the Facility and/or to the Equipment and/or to the rights to them and to make every effort to protect the Facility and/or the Equipment and/or the rights to them against all and any claims of third parties;
- (v) in case of occurrence of circumstances endangering the Rights to the Facility and/or the Rights to the Equipment, to immediately notify in writing the Public Partner and the Coordination Committee for the purpose of application of measures for the protection of the Rights to the Facility and/or the Rights to the Equipment

5.2.2. The Private Partner shall provide access to the Public Partner to the Facility and Equipment in order to check their compliance with the Functional, Technical requirements, the of the Legislation according to *Annex 1* at any working hours, subject to prior notice about the date of the Facility visit from the Public Partner.

5.2.3. Upon the Public Partner's request the Private Partner is obliged to provide to it copies of all documents and information confirming compliance of the Facility and Equipment with the Technical requirements, Legislation.

#### Commissioning Terms and Conditions

Stage 1. Within 2.5 years from the Date of Entry into Force, the Private Partner shall fulfill the following terms and conditions for the Commissioning ("Commissioning Terms and Conditions"):

##### Compulsory:

(i) To develop design documentation:

- for reconstruction of the "Issyk-Kul" hotel-shopping complex facilities;

(i-i) In case of implementation of the recommended stages by the Private Partner also to develop design documentation:

- for the construction of the Congress Hall;

- for the construction of 16-storey octagonal block with obtaining permissive documents for the reconstruction and construction in the authorized state bodies in accordance with the procedure established by the Legislation.

(ii) To agree in writing the design documentation with the Public Partner.

(iii) To obtain permissive documents in the authorized state bodies for commencement of reconstruction and construction.

(iv) To reconstruct the existing main building of the hotel (including the expansion of hotel rooms by connecting two rooms) in accordance with functional requirements to the PPP project Facilities, to implement construction of the main good lighted vestibule, guests reception hall with 6 meeting rooms, restaurant, swimming pool, gym, sauna and SPA, 2 banquet halls, (the existing hall should be expanded up to 230 seats), with landscaping of the hotel territory with outdoor parking, etc.

(v) To install the Equipment and carry out other actions required for the Commissioning.

##### Recommended:

Stage 2. Within 2 years after the completion of the Stage 1:

(i) To carry out the construction of the Congress Hall with hall for 1000 seats with indicative floor area of 1000 square meters, with a separate stage of about 250 square meters (transformable in two separate large and two small halls), foyer for coffee-breaks or exhibitions with a dressing room and a lavatory. Ground floor can be used for ceremonial reception hall (150 seats), where there is a kitchen, furniture warehouse. Total planned floor area of the premises is approximately 6000 square meters.

(ii) To install the Equipment and carry out other actions required for the Commissioning.

Stage 3. Within 3 years following the completion of the Stage 2:

(i) To carry out construction of the octagonal block for 38 superior rooms (68 beds, 8 rooms, of which the "Presidential suites", with a separate entrance to the underground garage and a separate elevator to on the presidential floors) and café-bar with 33 dining tables on the last floor 16 of the block. The planned floor area of the octagonal block is 7 700 square meters.

(ii) To install the Equipment and carry out other actions required for the Commissioning.

### 5.3. Acceptance Certificate

5.3.1. After fulfillment of all Commissioning Terms and Conditions by the Private Partner, the Private Partner shall submit to the Public Partner appropriate written confirmation for each stage accompanied by the Acceptance Certificate confirming that the Commissioning Terms and Conditions have been fulfilled.

5.3.2. If the Private Partner fails to fulfill the Commissioning Terms and Conditions within the timeframes established by the agreement from the Date of Entry into Force, the Private Partner shall pay to the Public Partner 500 (five hundred) United States dollars for each day of delay.

## 6. PROVISION OF HOTEL SERVICES AND OTHER SERVICES

6.1.1. The Private Partner shall provide hotel and related services from the Commissioning Date in accordance with the international standards and the standards of the Kyrgyz Republic established for these types of services.

## 7. APPLICABLE PERMISSIONS

### 7.1. Obtaining Applicable Permissions

7.1.1. The Private Partner undertakes to obtain all applicable licenses (including the License) and the permissions required by the Legislation for the reconstruction and Construction of the Facilities, Equipment Operation, Personnel work and training, provision of hotel Services, as well as fulfillment of other obligations by the Private Partner (hereinafter referred to as the "Applicable Permissions"). The Private Partner shall bear obligations for the timely renewal of all Applicable Permissions within the Validity Period Of the Agreement.

7.1.2. All expenses associated with the applying for the necessary Applicable Permissions, their obtaining and renewal shall be borne by the Private Partner.

### 7.2. The Public Partner's Assistance

The Public Partner undertakes to provide assistance to the Private Partner in the obtaining and renewal of the Applicable Permissions to the extent stipulated by the Legislation.

## 8. PERSONNEL

### 8.1. Personnel Employment

8.1.1. The Private Partner shall, at its own discretion and at its own expense, take all appropriate measures to ensure employment and remuneration of labor of the personnel in accordance with the Legislation.

8.1.2. Prior to the Commissioning Date the Private Partner may (but shall not be required to) evaluate and select personnel from the staff of the Public Partner. The transfer of the Public Partner's personnel to the Private Partner shall be carried out in accordance with the Legislation subject to the written consent of the personnel and at the discretion of the Private Partner. The Public Partner shall support the transfer and shall refrain from any measures that might persuade personnel to objection against their transfer.

### 8.2. Alternative Employment Plan

The Public Partner shall ensure development and implementation of the Public Partner's staff alternative employment plan complying with the Legislation, stipulating the manner, conditions, methods and timeframes, procedure for payment of severance pay, proposals for alternative employment and/or help in retraining and/or employment, as well as the procedure, terms and conditions and timeframes of transfer/transition/employment of part of the employees to the staff of the Private Partner (hereinafter referred to as "Alternative Employment Plan"). The Alternative Employment Plan in terms of the procedure, terms and conditions and timeframes of transfer/transition/ employment part of part of the employees of the Public Partner to the staff of the Private Partner and their number shall be agreed with the Private Partner.

### 8.3. Personnel qualification and training

8.3.1. Within the Agreement Validity Period the Private Partner shall ensure recruitment and availability of the Personnel complying with the minimum qualification and quantitative requirements established by the Legislation.

8.3.2. Within the Agreement Validity Period the Private Partner is obliged to organize and maintain a system of Personnel development.

8.3.3. The Private Partner shall carry out management and remuneration of the Personnel labor in accordance with the requirements of the Legislation.

8.3.4. The Private Partner shall ensure development and observance of the Personnel management rules complying with the Legislation, containing the policy and procedures for the Personnel recruitment and management, regulations on the labor rights of the Personnel, working hours, rest time, pay, overtime work, payment of compensations, benefits and other issues.

## **9. THIRD PARTIES**

- 9.1. The Private Partner may attract any person in order to perform the obligations of the Private Partner, including for the purpose of reconstruction, creation of the Facility and Equipment (hereinafter referred to as the "Third Parties »).
- 9.2. The Private Partner shall assume and shall bear full responsibility before the Public Partner for actions/inaction of Third Parties, as if these actions were committed by the Private Partner itself, and also shall ensure that Third Parties act in accordance and do not violate the provisions of the Agreement and Legislation.

## **10. INTELLECTUAL PROPERTY**

The Private Partner undertakes, at its own expense, to acquire from any Third Parties intellectual property rights required for performance of the obligations of the Private Partner, to ensure the timely registration of these, as well as to take all the necessary steps to obtain licenses for intellectual property items created and/or acquired during the Agreement Validity Period.

## **11. INSURANCE**

### 11.1. Compulsory insurance

The Private Partner is obliged at its own expense within the Agreement Validity Period to fulfill the requirements of the Legislation regarding compulsory insurance, specified in *Annex 6*.

### 11.2. Insurance

The Private Partner is obliged at its own expense to procure and maintain in force within the Agreement Validity Period compulsory insurance and additional insurance types specified in *Annex 6* (hereinafter referred to as the "Insurance »).

## **12. OBSERVANCE OF THE ENVIRONMENTAL AND SOCIAL STANDARDS**

### 12.1. Environmental and Social Risk Management System

In order to manage environmental and social risks and Project impacts the Private Partner shall ensure development and observance within the Agreement Validity Period the Environmental and Social Risk Management System complying with the requirements of the Legislation, as further described in *Annex 4*.



### **13. FINANCING OF THE PROJECT**

- 13.1. The Private Partner is obliged to repay the Public Partner's accounts payable generated in connection with the operation and maintenance of the property complex of the "Issyk-Kul" hotel-shopping complex or the Agreement implementation on the date of the Agreement entry into force.
- 13.2. The Private Partner is obliged to ensure the Project financing by investing its own funds and/or borrowed funds in the volume sufficient to fulfill the obligations of the Private Partner and the Project implementation envisaged by the Technical Proposal provided that the amount of borrowed funds should not exceed 40 per cent (40%) of such total amount (hereinafter referred to as the "Project Investments").

### **14. BANK GUARANTEE**

- 14.1. As security for performance of the Obligations of the Private Partner after the Date of Entry into Force, the Private Partner shall provide to the Public Partner irrevocable and unconditional bank guarantee issued for the entire Validity Period of the Agreement, in the amount of [five hundred thousand (500000) United States dollars] in the form, under the terms and conditions and pursuant to the procedure stipulated in *Annex 7* (hereinafter referred to as the "Bank Guarantee").
- 14.2. The Tender Security will remain in full force and effect till the day of provision of the Bank Guarantee by the Private Partner. After provision of the Bank Guarantee the Public Partner within thirty (30) calendar days must give the Tender Security to the Private Partner.

### **15. MONITORING AND REPORTING**

#### 15.1. Monitoring of performance of the Private Partner's Obligations

- 15.1.1. In addition to any monitoring and inspections carried out by the authorized state bodies of the KR in respect of the Private Partner, the Public Partner shall be entitled:
- (i) To visit the Facility during working hours and/or to request from the Private Partner documents and/or information relating to the Project implementation, subject to notice to the Private Partner sent not less than [three (3)] days in advance; and
  - (ii) To conduct no more than once a year the audit of the financial activity of the Private Partner by the forces of the Public Partner or by an independent auditor, at the expense of the financial resources of the project company operating the Facilities and Equipment.
- 15.1.2. The actions of the Public Partner on monitoring shall be carried out at the expense of the project company, operating the Facilities and the Equipment. The Public Partner's monitoring actions shall not create obstacles to the performance of the Private Partner's obligations.
- 15.1.3. The Public Partner shall appoint an authorized representative/organization with relevant experience in the field of occupational safety, environmental protection, health in order to verify fulfillment of the Private Partner's obligations under the Agreement; to report the results to the Public Partner specifying violations; and if applicable, to consult regarding the measures to address violations of the Private Partner, to determine the deadline for their implementation and to report after their completion. The authorized representative must in particular:
- (i) prior to the Commissioning Date to consider the proposed Environmental and social risk management system and to make sure that it is in full compliance with the Legislation;
  - (ii) visit the Facilities where repair and construction works are carried out to verify compliance with standard operating procedures, and good governance;

(iii) during the first year from the Date of Entry into Force, to evaluate and report that:

- responsible Personnel knows and correctly applies the waste and hazardous materials management procedure;
- emergency action procedure is available and the responsible Personnel aware of it;
- the personal and fire safety system is properly applied and maintained and control system properly takes into account the issues of personal and fire safety;
- If there are complaints in connection with the Project, they are duly considered.

15.1.4. The Coordination Committee shall develop the inspection plan for the Agreement Validity Period after the first year from the Date of Entry into Force, on the basis of the Project risks.

15.2. Reporting by the Private Partner

15.2.1. The Private Partner is obliged to submit to the Public Partner monthly, quarterly and annual reports on the PPP Project implementation.

15.2.2. The Private Partner is obliged to submit to the Public Partner annual reports on the Project implementation and annual reports on financial performance for the last calendar year. The Private Partner is also obliged to submit the annual reports on the Project implementation and annual financial reports for the previous calendar year to the Authorized state body in the sphere of PPP and State body on risk management.

## **16. COORDINATION COMMITTEE**

16.1. Composition of the Coordination Committee

16.1.1. Within thirty (30) days from the Date of Signature the Parties shall form a coordination committee (hereinafter referred to as the "Coordinationg Committee") to facilitate/assist the Project implementation and management during the Validity Period of the Agreement.

16.1.2. The Coordination Committee shall consist of: (i) two qualified representatives from the Public Partner; (ii) two qualified representatives from the Private Partner; (iii) upon agreement and discretion of the Parties up to two external representatives or independent experts appointed by agreement of the Parties. During the PPP project implementation period a representative of the Public Partner shall be the Chairperson of the Coordination Committee.

16.1.3. Each Party shall notify the other Party about its representative and approval and change \ substitution of the representatives. Each Party may change its representatives at any time in its sole discretion.

16.1.4. Each Party shall bear its own expenses associated with its participation in the work of the Coordination Committee.

## 16.2. Powers of the Coordination Committee

The Coordination Committee shall act exclusively within the framework of the Agreement and shall have the following powers:

- (i) To promote regular and open interaction between the Parties under the Project on an ongoing basis;
- (ii) To regularly check the Project implementation/management;
- (iii) To monitor compliance of the Private Partner with the Agreement timeframes, including the Project Implementation Schedule;
- (iv) To consider, discuss and if necessary to resolve by consensus the identified issues/problems/improvements in respect of the Project;
- (v) If necessary, to send questions to the appropriate Party or to apply the appropriate procedure stipulated by the Agreement;
- (vi) to assist the Parties in resolving situations impeding the performance of the Private Partner's obligations and the Project implementation, inter alia, to consider and/or approve the step-by-step action plan, developed by the Public Partner and/or by the Private Partner and agreed between them in order to exclude and/or reduce the risk of full and/or partial non-performance of the obligations of the Private Partner, and containing the obligations of the Parties to improve the situation ("Joint Action Plan") as well as to monitor the implementation of the Joint Action Plan.
- (vii) to visit the Facility, to get acquainted with the Private Partner's activities, to request from the Public Partner and from the Private Partner the documents, information, reports on the issues relating to the Project implementation;
- (viii) To assist the Parties in engaging the independent auditors and/or experts to evaluate the results of the Project implementation. The Public Partner shall attract independent auditors and/or experts, and the Private Partner shall pay to the Public Partner the full cost of attracting such independent auditors and/or experts within [ten (10) working days] after receiving a copy of the invoice of the appropriate auditor/expert from the Public Partner;
- (ix) to carry out the functions specified in article 15.1.4;
- (x) to discuss and make decisions on any other matters relating to the proper and effective performance by the Parties of their obligations under the Agreement.

## 16.3. Procedure of the work of the Coordination Committee

The Coordination Committee shall hold meetings quarterly and at any time when necessary. The procedure of work of the Coordination Committee, including meeting holding, decision-making procedures, and other procedural matters shall be determined by the rules to be approved by the protocol of the Coordination Committee.

## 16.4. Changes in the composition and procedure of work of the Coordination Committee

The Parties may change the composition, tasks or the procedure of work of the Coordination Committee at any time by mutual agreement in order to ensure the effective work of the Coordination Committee and the Project. Any change can be documented by the protocol signed by all members of the Coordination Committee and approved by the Parties.

## 17. SPECIAL CIRCUMSTANCES

### 17.1. Definition of the Special Circumstance

"Special Circumstance" shall mean one or more of the following events:

- (i) failure to sign the Acceptance Certificate, provided that the Private Partner has carried all necessary actions on its part under the Agreement and the Legislation for the Commissioning and signing of the Acceptance Certificate;
- (ii) non-obtaining, late obtaining and/or delay in obtaining and/or renewal of Applicable Permissions, provided that the Private Partner has carried all necessary actions on its part under the Agreement and the Legislation to obtain the Applicable Permissions;
- (iii) Change in the Legislation;
- (iv) Government Intervention.

### 17.2. Consequences of the occurrence of Special Circumstances

In the event of occurrence of the Special Circumstances:

- (i) If and provided that, directly as a result of occurrence of the Special Circumstances, the Private Partner cannot fulfill the obligations of the Private Partner in the volume and by the deadlines established by the Agreement, including the Project Implementation Schedule, the above-mentioned deadlines shall be extended for such period that is required to eliminate the consequences of the Special Circumstances (in any case, this period may not be less than the period of the delay in fulfillment of obligations of the Private Partner, caused by the influence of such Special Circumstances), and upon that all corresponding special deadlines under the Agreement shall be extended commensurately. If such Special Circumstance occurs prior to the Commissioning Date, the Agreement Validity Period shall also be extended commensurately;
- (ii) If and provided that any nonperformance and (or) late/incomplete performance of the Private Partner's obligations took place directly as a result of occurrence of the Special Circumstances, the Public Partner shall not be entitled to apply remedies against such nonperformance.

### 17.3. The actions of the Parties in the event of Special Circumstances

In case of occurrence of any Special Circumstances the Private Partner is obliged:

- 17.3.1. to take all reasonably necessary measures to mitigate the consequences of such Special Circumstances, including measures aimed at reducing the Losses incurred due to such Special Circumstances, as well as the delays in performance of the Private Partner's obligations under this Agreement;
- 17.3.2. to continue to perform its obligations under this Agreement to the extent reasonably possible in the conditions of the occurred Special Circumstances;
- 17.3.3. not later than five (5) working days from the moment when the Private Partner learned about occurrence of the Special Circumstances, to send to the Public Partner a written notice about the occurrence of the Special Circumstances specifying the following information:

- (i) description of the Special Circumstances and the reasons for its occurrence, as well as the justification for the inability of the Private Partner to avoid occurrence of the Special Circumstances;
- (ii) description of the actions taken or to be taken by the Private Partner in the performance of duties to mitigate the consequences of the Special Circumstances;
- (iii) information on the need to extend deadlines for the performance of obligations of the Private Partner, stipulated by the Agreement, late and/or incomplete performance of which was caused by the occurrence of the Special Circumstances (if applicable);
- (iv) amendments proposed by the Private Partner to this Agreement that are necessary for the continuation of the performance of the Private Partner's obligations under this Agreement (if applicable);

17.3.4. Within ten (10) working days from the date of receipt of the notice about the Special Circumstance from the Private Partner, the Public Partner is obliged to send to the Private Partner a written response expressing agreement or disagreement with the information contained in the notice about the Special Circumstance. Before the expiry of the above period of ten (10) working days the Public Partner shall be entitled to request from the Private Partner more information and clarification of information already provided, including additional calculations and supporting documentation. The Private Partner is obliged to provide such additional information and clarifications as quickly as is reasonably possible.

17.3.5. In the case of sending by the Public Partner motivated objections in respect of materials, information and calculations contained in the notice of the Special Circumstance the Private Partner shall within ten (10) working days from the date of receipt of motivated objections from the Public Partner:

- (i) make the necessary corrections to the relevant materials, information and calculations and shall resubmit notice of the Special Circumstance to the Public Partner, and then the provisions of article 17.3.4 shall apply again; or
- (ii) send to the Public Partner notice of its disagreement with the objections rejection received from the Public Partner of. In such a case, it shall be considered that there is a Dispute between the Parties, which should be settled by the Parties in accordance with the dispute settlement procedure specified in Article 22.

## **18. RESPONSIBILITY OF THE PARTIES**

18.1. For nonperformance or improper performance of obligations under the Agreement, the Parties shall bear responsibility in accordance with this Agreement and the Legislation.

18.2. The Private Partner shall bear the sole responsibility for any deficiency in respect of the Facilities and Equipment.

18.3. In case of violation of obligations contemplated by this Agreement, the Party whose rights have been violated under this Agreement is obliged within ten (10) calendar days from the date of revealing the violation to send to the other Party a written request to eliminate the revealed violation. Within three (3) calendar days from the date of such request the Parties are obliged to agree a deadline for elimination of the violation, not to exceeding thirty (30) calendar days from the date of the request, unless the Parties agree otherwise.

18.4. For the avoidance of doubt, this article 18.3 shall not apply in the event of early termination, regulated by Article 21.6.

Each Party shall have the right to reimbursement of damages, costs and other liabilities incurred as a result of the nonperformance or improper performance by the other Party of its obligations under the Agreement in the manner stipulated by the Agreement and by the Legislation. The Public Partner shall reimburse to the Private Partner the Losses incurred in connection with the demands, claims and/or suits of third parties related to non-performance, improper performance of obligations or negligence of the Public Partner. The Private Partner shall reimburse to the Public Partner any losses, expenses and other liabilities arising out of or in connection with the demands, claims and/or suits of third parties related to the Project activity, except for those relating to the period of accession as stated in article 25.2.

18.5. The Private Partner shall be jointly and severally liable for actions/omissions of the Personnel and/or Third Parties, and must reimburse for the damage caused by the Private Partner, by the Personnel and/or by the Third Parties to the Public Partner in full, including losses, costs and other liabilities related to actions/omissions of the Personnel and/or Third Parties.

18.6. The Parties must prove (with the presentation of appropriate written supporting documents) the size of the caused losses, costs and other liabilities. Reimbursement of losses, costs and other liabilities, payment of a penalty, fines shall not release the Party from performance of its obligations under the Agreement.

## **19. FORCE MAJEURE CIRCUMSTANCES**

### **19.1. Definition of force majeure circumstances**

The parties shall be released from responsibility for partial or complete non-performance of obligations under the Agreement if such nonperformance was caused by Force majeure Circumstances, if this Party has taken all reasonable measures to mitigate the negative the influence of the Force majeure Circumstances.

If the circumstance is a Force majeure Circumstance and Special Circumstance at the same time, for the purposes of this Agreement it shall be considered a Force majeure Circumstance, and the provisions on Force majeure Circumstances shall apply rather than the provisions on the Special Circumstances.

### **19.2. Procedure of the Parties' actions upon occurrence of the Force majeure Circumstances**

19.2.1. The Party that is unable to perform its obligations due to the Force majeure Circumstances (hereinafter referred to as the "Injured Party"), is obliged to notify the other Party about this within three (3) calendar days from the date of the occurrence of the Force majeure Circumstances as well as to provide a document confirming the occurrence of the Force majeure Circumstances, issued by the Chamber of Commerce and industry of the Kyrgyz Republic.

19.2.2. The notice shall contain a description of the Force majeure Circumstances, information about the impact of Force majeure Circumstances on the performance of the obligations of the Injured Party under the Agreement, as well as actions that the Injured Party intends to take to mitigate the consequences of the Force majeure Circumstances.

Within ten (10) calendar days from the date of receipt by any of the Parties a notice of the occurrence of the Force majeure Circumstances, the Parties shall meet to discuss the Force majeure Circumstances, its consequences, and to the extent possible to determine the most effective action plan for the performance of obligations under the Agreement by the Injured Party as well as the need to change the Agreement Validity Period and/or the terms and conditions of the Agreement in connection with the occurrence of Force majeure Circumstances.

19.2.3. The Injured Party undertakes to promptly, but in any case not later than three (3) calendar days from the date of the termination of the Force majeure circumstances notify the other Party about termination of the Force majeure circumstances and is obliged to perform the obligations affected by the Force majeure circumstances.

19.2.4. Upon the occurrence of the Force majeure circumstances the Injured Party is obliged to take all reasonable measures to mitigate the negative impact of Force majeure circumstances and quickest resumption of performance of the obligations under the Agreement.

19.2.5. If the Force majeure Circumstances last more than six (6) consecutive months, either Party shall be entitled to repudiate this Agreement and to early terminate the Agreement in the manner stipulated in article 21.5.

## **20. AMENDMENT OF THE AGREEMENT**

The Parties may make amendments and additions to the Agreement by written consent by signing an amendment agreement to this Agreement by the Parties.

## **21. TERMINATION OF THE AGREEMENT**

### **21.1. Termination of the Agreement upon expiry of the Agreement Validity Period**

The Agreement terminates at 23.59 Bishkek time on the last day of the Agreement Validity Period. In this case the Agreement terminates without the need in signing any document by the Parties.

#### **21.1.1. The Agreement may be early terminated:**

- (i) by mutual consent of the Parties in the manner stipulated by article 21.2;
- (ii) in connection with the Private Partner's violation in the manner stipulated by article 21.3;
- (iii) in connection with the Public Partner's violation or occurrence of the Special Circumstances in the manner stipulated by article 21.4;
- (iv) upon the occurrence of the Force majeure Circumstances in accordance with article 21.5;

### **21.2. Early termination of the Agreement by mutual consent of the Parties**

The Parties may at any time terminate the Agreement by signing the agreement on the termination of the Agreement under the terms and conditions and in the manner agreed upon by the Parties.

### **21.3. Early termination of the Agreement in connection with the Private Partner's violation**

The Public Partner may demand termination of the Agreement in the following cases:

- (i) the Private Partner's noncompliance with the Legislation and standards according to article 6.1.1;
- (ii) another significant nonperformance or late performance of the Private Partner's obligations;
- (iii) the Private Partner is recognized bankrupt or insolvent or in respect to the Private Partner or a trustee or administrator is appointed in respect of the Private Partner or all or a substantial part of its property that has a significant impact on the Project or the Private Partner bankruptcy procedure is initiated by the court.

### **21.4. Early termination in connection with the Public Partner's violation or occurrence of Special Circumstances**

The Private Partner may demand termination of the Agreement in the following cases:

- (i) violation of the Public Partner's obligations entailing Considerable Losses, which is not eliminated;
- (ii) Special Circumstance as a result of which performance of the Private Partner's obligations becomes impossible, lasts one hundred and eighty (180) calendar days;
- (iii) Government Intervention, which lasts at least ninety (90) calendar days.



21.5. Early termination of the Agreement in the event of the Force majeure Circumstances

21.5.1. Either Party shall be entitled to repudiate this Agreement and to require its termination in case of continuation of the Force majeure Circumstances for more than six (6) consecutive months.

21.5.2. The Party intending to terminate the Agreement unilaterally in accordance with the present article 21.5 shall send appropriate Notice of Termination to the other Party.

**21.6. Procedure for the early termination of the Agreement**

21.6.1. In the cases of early termination of the Agreement stipulated by articles 21.2-21.5 the Party initiating termination (hereinafter referred to as the "Terminating Party") must send to the other Party (hereinafter referred to as "Notified Party") a written notice of early termination of the Agreement specifying the circumstances and reasons for termination, proposals, expected Date of Termination and the timeframes for settlement of the situation (hereinafter referred to as the "Notice of Termination").

21.6.2. The Notified Party shall within [ten (10)] days from the date of receipt of the Notice of Termination send a response to the Terminating Party. In case of the Parties' consent to settle the situation, the Coordination Committee may develop a Joint Action Plan for subsequent signing and performance by the Parties of the obligations set out in the Joint Action Plan. In the event of failure to reach agreement on settlement of the situation, or in the case of violation by the Notified Party if the obligations stipulated by the Joint Action Plan, the Terminating Party shall be entitled to unilaterally terminate performance of the obligations under the Agreement from the Date of Termination specified in the subsequent Notice of Termination.

**21.7. Compensation upon Termination**

21.7.1. In case of early termination of the Agreement in connection with the Private Partner's violation of the obligations arising from the terms and conditions of the Agreement, the Private Partner is obliged to pay to the Public Partner a Compensation upon Termination for the Losses and to pay penalties or fines assessed due to early termination of the Agreement, including by way of unilateral collection of the Performance Bond amount.

21.7.2. The Public Partner is obliged to provide to the Private Partner the calculation of the Compensation upon Termination, as well as relevant documents confirming the above-mentioned calculation.

21.7.3. The Compensation upon Termination shall be paid to the Public Partner the timeframe set by mutual agreement of the Parties after return of the Facilities and Equipment transferred to the Private Partner.

21.7.4. In the event of a Dispute concerning the amount of Compensation upon Termination the Private Partner must pay to the Public Partner the undisputed part of the Compensation upon Termination within the period specified in article 21.7.3 and a disputable part shall be paid pursuant to the Dispute settlement procedure in accordance with article 22.

21.8. The actions of the Parties during the period of termination of the Agreement.

21.8.1. For the purpose of continuous provision of hotel services, the Private Partner shall continue to provide services till the Date of Transfer.

Till the termination of the Agreement, the Private Partner is also obliged to ensure training of the Public Partner's personnel regarding the issues of the Equipment Operation and, if applicable, in respect of the Facility, Equipment, and intellectual property rights.

21.8.2. On or before the last day of the Agreement Validity Period, the Private Partner is obliged to transfer free of charge the Facilities and Equipment received and created within the framework of the Agreement to the Public Partner, including by way of assignment/transfer of the Private Partner's share in the project company established for the purpose of PPP to the Public Partner.

21.8.3. In the event of early termination of the Agreement due to the fault of the Private Partner, the Private Partner must transfer to the Public Partner the Transferrable Property (Facilities and Equipment) with implemented separable and inseparable improvements, including design and cost-estimate, permissive and other documentation on or before the Date of Termination under the transfer and acceptance certificate.

21.8.4. At the time of transfer the Transferrable Property (Facilities and Equipment) shall be free from any encumbrances, liens and rights of third parties.

21.8.5. In case of nonperformance of the Private Partner's obligations regarding the transfer of the Transferrable Property on or before the Date of Termination the Public Partner may, at its sole discretion, either:

(i) claim from the Private Partner reimbursement for damages, expenses and other liabilities incurred by the Public Partner as a result of such nonperformance by the Private Partner, during the period from the Date of Termination to the Date of Transfer; or

(ii) to extend the Date of Termination by notifying the Private Partner before the Date of Transfer

## **22. Risk allocation terms and conditions and procedure**

22.1. All risks related to the PPP project implementation, including risk control and management shall fully rest with the Private Partner.

## **23. DISPUTE SETTLEMENT**

23.1. Applicable law

This Agreement shall be governed by and construed in accordance with the Legislation of the Kyrgyz Republic.

23.2. Negotiations in good-faith

In the event of any dispute, difference or claim arising out of or relating to this Agreement, including those relating to its violation, termination or invalidity (hereinafter referred to as the "Dispute"), the Parties undertake to make every effort to settle such Dispute by negotiations in good faith within [thirty (30)] calendar days from the date of receipt of the notice of Dispute by any of the Parties.



## **24. CONFIDENTIALITY**

The Parties undertake to respect the confidentiality of the provisions of this Agreement, including all Annexes thereto, as well as other documents and/or information disclosed or provided by one of the Parties in accordance with this Agreement. The obligation to respect confidentiality shall not apply to disclosure of information:

- (i) by one of the Parties to its consultants, advisers, Financiers, provided that such persons have assumed a similar obligation to respect confidentiality;
- (ii) to such persons, and to the extent required for the performance of obligations under this Agreement;
- (iii) which is publicly available;
- (iv) if required in accordance with the Legislation;
- (v) if it is necessary for the Arbitration;
- (vi) pursuant to the court act or other act of the state body of the KR

## **25. MISCELLANEOUS PROVISIONS**

### **25.1. Assignment by the Public Partner**

The Public Partner shall be entitled to fully or partially assign its rights and obligations under the Agreement to other state bodies, institutions or enterprises in the manner prescribed by the Legislation.

### **25.2. Accession**

The Public Partner may assume the rights of the Private Partner for the Facility and Equipment operation and provision of the hotel Services in case of the Private Partner's Violation till the time when the Public Partner has reasons to believe that the consequences of the relevant Private Partner's Violation are eliminated.

In such a case, the Public Partner shall be entitled to receive compensation for reasonable losses, expenses and other liabilities in connection with such seizure.

### **25.3. The Representatives of the Parties**

25.3.1. In order to ensure effective communications for the Agreement implementation, the Parties may appoint representatives responsible for communications on behalf of the appointing Party on all matters relating to the Agreement.

25.3.2. The representatives of the Parties must have the powers documented in accordance with the requirements of the Legislation and specifying the scope and term of the powers. Actions of the authorized representatives within the framework of granted powers shall be considered as the actions of the Parties.

#### 25.4. Validity of the Agreement

Invalidity of any separate part of the Agreement shall not mean the invalidity of the whole Agreement, if it can be assumed that the Agreement could be concluded without the inclusion of the invalid part. The Parties undertake, within a reasonable period of time, to make amendment to the Agreement in order to replace the invalid or void provision by the valid provision.

#### 25.5. Language of the Agreement and number of copies

The Agreement is made in Russian and English languages in [four (4)] original copies having equal legal force, of these [two (2)] copies in each language shall be handed over to the Public Partner, [two (2)] copies in each language shall be handed over to the Private Partner. In the event of any differences between the Russian and English texts of the Agreement, the Agreement in Russian language shall prevail.

### **26. LIST OF ANNEXES TO THE AGREEMENT**

Technical requirements to the Facility

The Private Partner is obliged to ensure the Creation of the Facility, as well as its management and maintenance in accordance with:

1. Legislation:

- The Land Code of the Kyrgyz Republic dated June 2, 1999;
- The Law of the KR dated October 19, 2013 No. 195 "On licensing and permitting system in the Kyrgyz Republic";
- The Law of the KR dated January 11, 1994 No. 1372- XII "On town-planning and architecture of the Kyrgyz Republic";
- The Law of the KR dated May 22, 2004 No. 67 "On the basics of technical regulation in the Kyrgyz Republic";
- The Law dated June 27, 2011 No. 57 "Technical regulations "Safety of buildings and structures";
- The Law of the KR dated June 17, 1996 No. 22 "On fire safety";
- The Law of the KR dated June 7, 2016 No. 78 "On ensuring fire safety"
- The Resolution of the Government of the KR dated April 11, 2016 No. 201 "On approval of the acts in the field of public health" (sanitary-epidemiological rules and regulations);
- The Regulation on the procedure for issuing permissive documents for the designing, construction and other alterations of immovable property items and procedure for commissioning of completed construction projects in the Kyrgyz Republic" (approved by the resolution of the Government of the KR dated May 30, 2008 No. 252);
- The Regulation on State Fire Supervision (approved by the resolution of the Government of the KR dated October 16, 2001, No. 650);
- The Regulation on the State Inspectorate on environmental and technical security of the Government of the Kyrgyz Republic (approved by the Resolution of the Government of the KR dated February 20, 2012 No. 136);
- Fire safety rules for enterprises, organizations, institutions and housing stock in the Kyrgyz Republic (approved by the resolution of the Government of the KR dated February 8, 1995, No. 33);
- The List of buildings, structures, facilities and equipment to be protected by automatic fire detection and suppression systems (approved by the resolution of the Government of the KR dated April 29, 2011 No. 196);
- Other laws and by-laws.

The Public Partner

Signature:

[Full name, title of the Representative]

L.S.

The Private Partner:

Signature:

[Full name, title of the Representative]

L.S.

## Annex 2 to the Agreement

### Applicable Permissions

with respect to the Facility:

- (iv) positive conclusion of the state environmental examination for the Facility construction/reconstruction project issued by the State environmental protection and forestry agency under the Government of the Kyrgyz Republic (hereinafter referred to as the "SEPFPA");
- (v) conclusion of sanitary-epidemiological service (Department of disease prevention and state sanitary-and-epidemiologic supervision of the Ministry of health, hereinafter referred to as the "Sanitary supervision");
- (vi) conclusion of the fire service (the State fire service agency under the Ministry of emergency situations);
- (vii) conclusion of the authorized body for the protection of monuments of history and culture (the Ministry of culture, information and tourism of the KR);
- (viii) engineering-technical conditions on possibility of connection to the engineering networks of electricity, water supply and sewerage, heating and gas supply issued by the relevant municipal services;
  - architectural-planning conditions issued by the territorial body of architecture and town-planning (The State agency for architecture, construction and housing utilities under the Government of the Kyrgyz Republic, hereinafter referred to as the "Gosstroy") containing architectural conditions and requirements (including to the functional designation, placement and main parameters of the construction facility, as well as technical conditions for connection to engineering networks, compulsory sanitary, fire protection, environmental conditions and restrictions for the Facility design stipulated by the legislation of the KR and town planning documents);
- (ix) approval of the design/project documentation by the territorial body of Gosstroy;
- (x) positive conclusion of the design/project documentation examination issued by the territorial body of the state examination directorate (Department of state examination under Gosstroy);
- (xi) permit for construction issued by the territorial body of the state architectural and construction supervision (Directorate of architectural and construction supervision of the State inspectorate on environmental and technical safety under the Government of the Kyrgyz Republic, hereinafter referred to as the "Gosecotechinspektsiya");
- (xii) Facility commissioning certificate issued by the territorial body of Gosecotechinspektsiya;
- (xiii) other Applicable Permits stipulated by the Legislation.

The Public Partner:

The Private Partner:

Signature:

Signature:

[Full name, title of the Representative]

[Full name, title of the Representative]

L.S.

L.S.

Personnel

*Qualification requirements*

During the Agreement Validity Period, the Private Partner must ensure employment and availability of the Personnel, as stipulated in the Technical Proposal [(or HERE CAN BE AN EXCERPT FROM THE TECHNICAL PROPOSAL REGARDING THE PROPOSED PERSONNEL)].

*Education/training requirements*

During the Agreement Validity Period the Private Partner must be able to carry out training of the Personnel, as stipulated in the Technical Proposal [(or HERE CAN BE AN EXCERPT FROM THE TECHNICAL PROPOSAL REGARDING THE PROPOSED PERSONNEL)].

The Public Partner's Obligations

The Public Partner shall submit for consideration to the Private Partner the proposals for transfer of its personnel to the Private Partner in accordance with the requirements of the Legislation, including:

- (i) Organization of the consultation process with the personnel or their representatives to give advance notice, explanation of the transfer process and their rights under the Legislation. The Public Partner must ensure appropriate personnel complaint and issue processing mechanism;
- (ii) analysis of alternative employment of the personnel not transferred to the Private Partner and development and implementation of the "Alternative Employment Plan";
- (iii) planning and implementation of the downsizing process, if this is unavoidable, complying with the Legislation, which includes procedures; eligibility criteria; payment of severance pay; offering alternative employment or assistance in retraining and employment referral.



Requirements to the Environmental and social risk management system

The Private Partner must develop and implement ESR Management System in accordance with the requirements of the Legislation, including the following key elements:

1. Organizational structure of the environment, health and safety system, including personnel trained in the field of the Project safety system;
2. Procedure for determining the environmental and social risks and impacts of the Project;
3. Rulebook on carrying out operational procedures, practices, plans and relevant regulations/documents governing key aspects of execution of repair/reconstruction works and/or the Facility operation and technical maintenance and management, as applicable:
  - (i) Standard operating procedures and best practices in the field of execution of repair/reconstruction works in respect of noise, waste, transport safety, occupational safety and health of workers, public health and safety;
  - (ii) Ensuring the personal and fire safety ("PFS") (management/planning/implementation/Personnel training, fire-fighting drills on PFS);
  - (iii) Emergency Management Plan, emergency prevention and elimination of the consequences;
  - (iv) Safety instructions for the Personnel to mitigate risks and ensure safe working conditions;
  - (v) Accessible, intuitive and fairly well-known mechanism for receiving comments and complaints during the stage of execution of reconstruction/repair works and the operation stage.

The Private Partner must develop, install and ensure the proper functioning of fire safety systems, including fire-fighting devices and alarms, emergency exits, in accordance with the requirements of the Legislation to fire safety.

**Annex 5 to the Agreement**

Technical Proposal

[To be provided by the Private Partner during the Tender process.]

**Insurance**

**1. Compulsory insurance**

The Private Partner must arrange in accordance with the Legislation and maintain during the Agreement Validity Period the following types of compulsory insurance:

- (i) Compulsory social (including pension) insurance of the Personnel;
- (ii) Compulsory health insurance of the Personnel;
- (iii) Compulsory insurance of employer's liability (Private Partner) for the damage to life and health of the employee in the exercise of his/her labor (service) responsibilities.

**2. Voluntary insurance**

The Private Partner must maintain during the Agreement Validity Period the following types of voluntary insurance:

- (i) Insurance of total loss (death), deficiency or damage to the Facility and Equipment;
- (ii) Insurance of risk of default of the Private Partner under the Agreement as a result of force majeure circumstances.

## Annex 7 to the Agreement

### Form of bank guarantee

This bank guarantee (hereinafter referred to as the "Guarantee") is issued at [place] on [date] [name of the bank], with head office/registered office at [address] (hereinafter referred to as the "Guarantor") in favor of the State Enterprise "Issyk-Kul" hotel-shopping complex" under the Property Management Department of the President and the Government of the Kyrgyz Republic at [address] (hereinafter referred to as the "Beneficiary"):

Whereas [name and legal address of the private partner] ("Private Partner") concluded on [date of agreement] Agreement on public-private Partnership for the reconstruction of the "Issyk-Kul" hotel-shopping complex in the city of Bishkek (hereinafter referred to as the "Agreement") with the Beneficiary.

Whereas according to the provisions of the Agreement, the Private Partner in order to ensure performance of its obligations under the Agreement must provide to the Beneficiary irrevocable bank guarantee for the entire validity period of the Agreement in the amount of [500 000 (five hundred thousand)] United States dollars.

Now therefore, the Guarantor, acting as the main person assuming the obligation hereby irrevocably undertakes to pay to the Beneficiary such amount or amounts as may be claimed by the Beneficiary, not exceeding in the aggregate [500 000 (five hundred thousands United States dollars)], in accordance with the below terms conditions.

- a. The Guarantor shall pay the amounts claimed by the Beneficiary in accordance with paragraph (h) and (I) below, up to a maximum aggregate amount described above, namely [500 000 (five hundred thousand)] United States dollars ("the guarantee amount") by transfer to the account of the beneficiary any bank CD or in any other way, clearly agreed upon by the beneficiary within 5 (five) days from the date of receipt of the written request meets the requirements of paragraphs (h) and (i) below. If the Beneficiary receives from the Guarantor an amount under this Guarantee, which is less than the Guarantee Amount, the Guarantee Amount will be reduced accordingly.
- b. Any claim made by the Beneficiary against the Guarantor must be unconditional and unlimited in respect to the application and collection of this Guarantee and the amount payable under this Guarantee. All payments under this Guarantee must be made by the Guarantor without any references to the Tenderer or other person and regardless of whether the Beneficiary's statement is challenged by the Private Partner or not, provided that the Beneficiary's claim complies with the requirements of paragraphs (h) and (i) below.
- c. This Guarantee shall have full force and effect during the entire validity period of the Agreement.
- d. The Guarantor's obligation under this Guarantee shall be direct and principal. In order to give effect to this Guarantee the Beneficiary may treat the Guarantor as a principal debtor and the Guarantor's obligations shall not depend on (1) inaction, delay, or omission on the part of the Beneficiary in respect of the enforcement of the terms and conditions in connection with non-performance of the Agreement or any other documents by the Private Partner or (2) any action, inaction or process of the Beneficiary or other person, which would, apart from this provision, have the effect of pardon or release of the Guarantor from its obligations under this Guarantee.

- e. This Guarantee is irrevocable and shall be valid till proper performance of all obligations of the Guarantor under this Guarantee (e.g. till full payment of the Guarantee amount by the Guarantor to the Beneficiary) or until the expiration date, specified in paragraph (c) above, whichever comes first.
- f. Any payment under this Guarantee shall be made net and exclusive or without deduction or withholding or for account of any present or future payments, taxes, duties, charges, fees, commissions, deductions, irrespective of their names and persons who would impose them.
- g. The Guarantor represents and guarantees that (1) the Guarantor has the powers and rights to legally conclude and issue this Guarantee; (2) that the undersigned person was duly authorized to sign and deliver this Guarantee in accordance with the powers conferred upon him or her; and (3) that the obligations of the Guarantor under this Guarantee are valid and binding and enforceable from the date of signing of the Guarantee.
- h. Any demand, notice or any other communication sent under this Guarantee must (1) be in writing; (2) contain a detailed calculation of the amounts paid under the Guarantee due to violation of one or more of the secured obligations of the Private Partner specified in paragraph (c) below ("Secured obligation"); (3) be delivered before the expiry of this Guarantee as specified in paragraph (e) above; (4) be delivered personally or by courier or registered mail to the following address (or other addresses specified in accordance with this provision):

[Address]

- i. All such demands, notices or communications shall be valid (1) if delivered personally - from the moment of delivery, (2) if delivered by courier – from the moment of delivery; (3) if delivered by registered letter - from the moment when the registered letter could be delivered upon normal working mode of post, regardless of whether it was actually delivered or not; (4) if they comply with the requirements of paragraph (h) above.
- j. The secured Obligations shall include the Private Partner's obligations under the Agreement specified in articles [5.4.2., 18.4, 18.5, 21.7., 21.8.5 and 25.2].
- k. The Guarantor will refuse to pay the amount claimed by the Beneficiary, if the Beneficiary's claim to pay the Guarantee Amount does not comply with one or more requirements of paragraphs (h) and (i) above.
- l. This Guarantee shall be governed by the legislation of the Kyrgyz Republic. Any suits, processes, or other proceedings arising from or in respect of this Guarantee or its subject matter, shall be finally settled in accordance with the Rules of arbitration of the International Chamber of Commerce [by one or more arbitrators] appointed in accordance with the above-mentioned rules (hereinafter referred to as the "Arbitration"). The place of arbitration shall be [Bishkek], [KR], the language of arbitration shall be [Russian] language, the applicable law shall be the Legislation of the Kyrgyz Republic. The arbitration decision shall be final and binding on the Parties.

In witness whereof, the Guarantor signed this Guarantee on the date specified above.

Signed and delivered by [BANK NAME] Bank represented by Mr. (Mrs.) [full name], [title]

**Public Support**

The Public Partner must provide the following types of Public Support to the Private Partner in the manner and under the terms and conditions stipulated in this Annex and in the Agreement:

- (i) granting the right to use the property complex of the "Issyk-Kul" hotel-shopping complex, including the building consisting of 8 floors and catering unit with total floor area of 12900 square meters and a 3.64-hectare land plot for the entire validity period of the PPP Agreement, including by contributing the value of the right of use to the authorized capital of the project company;
- (ii) providing assistance to the Private Partner in obtaining any Applicable Permits by the Private partner, listed in Annex 2, as stipulated in article 7.2 of the Agreement;
- (iii) providing assistance (within the powers of the Public Partner) in obtaining preferences and/or respites and/or installment of date for payment of taxes stipulated by the Legislation;
- (iv) providing assistance (within the powers of the Public Partner) in obtaining preferences and/or respites and/or installment of date for making customs payments stipulated by the Legislation.
- (v) providing assistance (within the powers of the Public Partner) in ensuring guaranteed flow of guests represented by the official delegations of other states who are visiting the Kyrgyz Republic within the framework of various visits, as well as holding of the state protocol events, servicing other public authorities during official meetings, receptions, summits and other public events.

**Project Implementation Schedule**

[To be provided by the Private Partner as a part of the Technical Proposal.]

## Functional requirements to the Facility

The Private Partner is obliged to ensure the Creation of the Facility, as well as its management and maintenance in accordance with the following requirements:

### 1. Building and the adjacent territory

- External lighting of the building and the adjacent territory at night;
- Lot for short-term parking of vehicles;
- Illuminated or illuminating signboard;
- Entrance for guests:
  - separate from service entrance;
  - with a visor for protection against atmospheric precipitation on the way from the car;
  - warm air-curtain;
  - to the restaurant (cafe, bar) from accommodation;

The building must have emergency exits, stairs, and well-visible informational signage ensuring free orientation of the guests, both in normal and in emergency situations.

### 2. Technical equipment

- Emergency lighting and power supply:
  - emergency lighting (accumulators, lamps);
  - stationary generator ensuring main illumination and operation of major equipment (including elevators) for a period of not less than 24 hours.
- Water supply:
  - 24-hour hot and cold water supply (*the accommodation must be equipped with hot and cold water supply, and sewerage; the areas with unreliable water supply should be provided with a minimum reserve of water for at least 24 hours and water heater*);
  - reserve hot water supply for the time of the accident, preventive maintenance works
- Heating system ensuring the air temperature in the residential premises not below 21.5 degrees Celsius and in the public premises not below 18.5 degrees Celsius.
- Air conditioning in all premises all year round.
- Ventilation: forced ventilation system ensuring air circulation, excluding ingress of extraneous odors in public and residential premises.
- Burglar alarm, video surveillance in public areas and corridors of the residential floors.
- Elevator in the building:
  - service, cargo elevators;
  - elevator waiting time not exceeding 30 sec.;
  - 24-hour elevator operation.
- Internal radio with capability to broadcast in all premises, including elevators.
- Telephone communication from rooms: internal (without leaving accommodation), city, long distance and international in 100% of rooms.
- Public telephones in public premises (lobby): long-distance, international telephone available for use by the residents.
- Internet: in all rooms and public premises.



### 3. Guest room stock

- Single/double rooms.
- Suites and combinable rooms.
- "Highest category" rooms.

Room size must allow the guest to freely, conveniently and safely move around and use all equipment and furniture.

- Size of the room (excluding the floor area of bathroom, loggia, balcony), not less than:
  - single - 14 m<sup>2</sup>;
  - double -16 m<sup>2</sup>;
- Bathroom in the room (washbasin, toilet, shower or bath tub) - 100% of rooms.
- Bathroom floor areas (except for the "highest category" rooms) not less than 3.8 m<sup>2</sup>

### 4. Technical equipment

- Burglar alarm, electronic locks/video cameras in hallways;
- Sound insulation: advanced, providing a noise level below 35 DB (door, windows, coating);
- Heating maintaining the air temperature in premises not below 21.5° C;
- Ventilation (natural and/or forced) ensuring air circulation and eliminating the penetration of extraneous odors in residential premises;
- Thermostat for individual temperature adjustment (in winter time – for heating system, in summer time – for cooling/air-conditioning system).

### 5. Sanitary facilities for general use

- Restrooms: near public premises;
- Equipment of toilets for general use:
  - WC cabins;
  - washbasin with hot and cold water (mixer);
  - mirror;
  - electrical outlet;
  - soap (*or liquid soap dispenser*);
  - toilet paper;
  - hooks for clothes, waste paper basket;
  - dispenser with disposable seats for toilet bowl;
  - hand cream dispenser;
  - terry-cloth napkins for hands;
  - dispenser with packages for hygiene items;
  - bin for used terry napkins for hands.

### 6. Public premises

- Public premises must have furniture and other equipment relevant to the functional purpose of premises
- Hall floor area, at least:
  - 30 m<sup>2</sup>, plus 1 m<sup>2</sup> per each room starting from the 21-st room, maximum floor area may not exceed 160 m<sup>2</sup>
- Reception and accommodation service:
  - with relaxation and waiting area with the appropriate furniture (armchairs, sofas, chairs, coffee tables), with newspapers, magazines;
  - with the serving of drinks and music broadcasting

- Carpets, carpet or other floor covering in the relaxation area.
- Decorative landscaping, artistic compositions.
- Wardrobe near public premises;
- Hangers in the lobby and public premises;
- Conference room with appropriate equipment.
- Business Center (electronic communication devices, copiers, rooms for negotiations, computers).
- Fitness Center with gym.
- Swimming pool.
- Carpeted floors (carpets) in the hallways.
- Shops and shopping kiosks.
- Service premises for personnel: dining/room for meals, toilets, changing rooms, recreation rooms, auxiliary rooms.

#### **7. Premises for providing catering services**

- Restaurant:
  - several halls;
  - banquet hall (halls), transformable into a conference room with appropriate equipment;
  - night club (bar);
- Cafe/bar.

#### **8. Services**

- Reception service - 24-hour reception.
- Serving correspondence to the guests.
- Residents search service.
- Doorman.
- Morning wake-up call (upon request).
- Daily housekeeping, by maid, including bed making.
- Daily bed linen change.
- Daily towels change.
- Washing:
  - within 24 hours;
  - express service;
- Ironing: within 1 hour.
- Dry cleaning: express service (*service delivery under a contract with a specialized enterprise is allowed*).
- Minor mending clothing.
- Shoe polishing machine.
- Post and telegraph services.
- Fax dispatching and delivery .
- Storage of valuables in the administration safe box.
- Luggage storage.
- Currency exchange or accepting credit card payments.
- Arrival and departure accompaniment services.
- Taxi call.
- Car rent (lease) (*service delivery under a contract with a specialized enterprise is allowed*).

- Booking and/or selling tickets for various means of transport.
- Booking and/or selling tickets to the theatres, sport, entertainment events.
- Tourist services:
  - tourist information;
  - excursions, guides-translators
- Medical services: Medical station

### **9. Catering services**

- Servicing:
  - opportunity to select any of the options of provided catering (breakfast, half board, full board);
  - buffet breakfast (7.00-10.00);
  - 24-hour catering services provision;
- Room service:
  - 24 hours a day
  - room-service menu in the room.

### **10. Requirements to the personnel and their training**

- Written standards for the personnel fixing the functional responsibilities and established rules of work and their observance by employees of all services.
- Appearance of the personnel: uniforms, service badges.
- The number of personnel shall be sufficient to ensure the regular uninterrupted operation of rooms.