

**Date:**  
**Reference:**  
**Location:** Galkhuch, Tkuarchal district, Abkhazia



## Service Agreement for Farming Services and related -Tractor SSh-30 model-

The Rural Development Association (RDA) as a Foundation registered in Abkhazia, represented by \_\_\_\_\_ in her quality of RDA Director (hereinafter referred as “the RDA”), on the one hand and on the other hand \_\_\_\_\_ (hereinafter referred as “the Customer”) do hereby conclude this Agreement to the following:

### 1 Subject of the Agreement

**1.1** The subject of the Agreement involves the fulfillment of farming works and related by the RDA as a service provider within an existing and clearly identified land plot in the ownership or exploitation of the Customer in the village \_\_\_\_\_, according to the requirements provided by the Customer as follows:

#	Type of Farming works	Unit	Unit price	Ordered Yes / No	Total of Units	Total Service Price (RUB)
1	Transportation of fertilizer	500 kg	1000 Rub			
2	Harvest transportation	500 kg	1000 Rub			
3	Transportation costs	1 km	50 Rub			
	<b>Total sum</b>					

**1.2** The agreed scope of works is to be executed in the village of ..... on the date of ..... by one RDA appointed Operator, namely ..... under ID number .....

### 2 Financial Terms of the Agreement

- 2.1** The price of works/services to be fulfilled amounts \_\_\_\_\_ Ruble (...), including fuel expenses, maintenance, operations and transportation to site, including VAT. The Customer shall not bear any additional costs than the ones prescribed in the RDA pricelist and agreed upon under Section 1.
- 2.2** The cost of transportation to site is to be agreed upon by both parties as per RDA rate per km at ..... RUB per km considering the RDA parking site as the starting point. A negotiated price may be reached based on a mutual appreciation of both agreements under special conditions to be defined by RDA (duration of the agreement, frequency, purpose...);
- 2.3** Compensation of procurement of the services will be carried out solely via non-cash payment at the bank account of the RDA for amounts exceeding 50,000 RUB and/or via cash payments for amounts below this threshold unless specified differently by the RDA and agreed upon by the Customer;
- 2.4** The Customer is obliged to pay 100 % \_\_\_\_\_ Ruble of total service price prior to the works commencement. Payment shall either be in cash or direct deposit into the bank account in the name of the RDA.

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In case of cash payment, the Customer shall receive a proper cheque against payment from the RDA endorsed by its accountant and verified by its appointed representative.

In case of non-cash payment, the bank account of the RDA into which payments shall be made is:

<b>Receiver</b>	
<b>Account number (RUB)</b>	
<b>INN (Tax identification Number)</b>	
<b>КПП (Tax registration reason code)</b>	
<b>Bank name</b>	
<b>BIN (Bank Identification Number)</b>	
<b>Corresponding Account (RUB)</b>	

- 2.5** The Customer acknowledges and accepts the price of the present service and the RDA service rates as fixed and non-negotiable according to the defined volume of the works, this before concluding the Agreement as specified here-above;
- 2.6** In case the agreed volume of works differs or deviates from the initially agreed terms of the Agreement, the Customer is obliged to inform the RDA of the proposed changes before the execution of new works via SMS to the RDA assigned phone number with the mention “change” which will allow the RDA to revise the terms of the present Agreement. If the Customer fails to do so in due time, the RDA reserves the right to a) terminate the present Agreement with the Customer without compensation despite the payment of all works in advance, b) may blacklist the Customer and c) take appropriate actions against the RDA appointed staff for the execution of the agreed works.
- 2.7** In case of fulfillment of a different volume works from the Agreement provided works, the Customer is obliged to compensate the price of additional or different fulfilled works according to the RDA applicable rates. An amendment to the present Agreement shall be signed by both parties accordingly, possibly upon execution of the additional works together with the subsequent additional payment;
- 2.8** In case of delay in payment by the Customer of the advance payment as per article 2.4 for the agreed services on an agreed date of execution which may result in the mobilization of the RDA machinery and Operator for the set date and represent a net loss for RDA, the RDA is entitled to request the Customer the payment of penalty in the amount of 10% of the amount of Agreement to compensate RDA potential losses;
- 2.9** In case of a delayed payment of the additional costs resulting from a change of the scope of works, for more than 5 working days upon execution of the works, the RDA reserves the right to blacklist the Customer to access any services from the RDA in the future.

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### **3 Other Conditions of the Agreement**

- 3.1** The RDA ensures the fulfillment of farming works prescribed here-above on agricultural or non-agricultural lands of the Customer which are in his ownership or exploitation;
- 3.2** The Customer takes responsibility to ensure the protection of equipment in the ownership of the RDA and operated by RDA assigned staff within working hours till full completion of the works;
- 3.3** The Customer is obligated to guarantee access to the land plots or sites as agreed in the Agreement without delays or obstructions as these may cause delays in the execution of the works. Failure to provide free access to the identified land plots or sites as a result of the absence of the Customer on the set time and date will be charged at an hourly rate of 1,000 RUB if such delay happens to exceed one hour but may not exceed three hours. After three hours of unjustified absence of the Customer, the RDA reserves the right to return the RDA machinery to the RDA parking site and terminate the present Agreement. In such eventuality, RDA will charge the remaining time earmarked for the execution of the tasks for the day at the agreed rates as specified within the Agreement.
- 3.4** The RDA is entitled not to fulfill the works and subsequently terminate the terms of the Agreement, if during visual inspection of the plot before works starts or during execution of works unforeseen circumstances are revealed such as rocky lands, non-existence of output communications in the plot or some other hindering factors which may cause damage of equipment or implement. The Agreement termination shall not release the Customer from fulfillment of obligations provided by the Agreement, however the RDA will only charge to Costumer with the apportioned amount till the revealing of the unforeseen circumstances. The RDA Operator shall in such case inform the RDA Officer in charge to act upon the changes in the terms of the Agreement.
- 3.5** The Customer is obliged to compensate the RDA the damage price of equipment or implements during fulfilling agricultural works which may be resulted from a negligence caused by the Customer while performing the works. This may be documented by an Incident Report;
- 3.6** The Customer acknowledges and accepts that the RDA machinery shall be solely and exclusively operated by the RDA appointed Operator. The Costumer has no right to claim any changes or deviations from the initially agreed terms of the Agreement through direct negotiations with the RDA Operator as these may result to an immediate termination of the Agreement. In line with this, the Costumer has not right to inspect the RDA machinery and equipment, possess keys or any tools which belong to the RDA as the terms of the Agreement put the sole responsibility of the execution of the foreseen works as per the agreed conditions on RDA;
- 3.7** The Costumer agrees to provide access to RDA staff beside the RDA appointed Operator to the sites and land plots where the works shall be performed during the time set for the execution of the agreed works for monitoring purposes. Such monitoring is deemed to ensure the provisions of the Agreement are respected and the quality of the works to be performed by the RDA appointed Operator meet the agreed standards;
- 3.8** The parties are released from fulfilling their obligations upon arising Force-Majeure Circumstances. Force-Majeure is considered in case of any severe incidents which affect the Costumer ability to subscribe to the services such as personal injuries faced by the Costumer, illness, death or loss of closed relatives. Such cases need to be documented through an official certificate issued by a certified doctor to allow the provisions set under section 2.6 not to apply and a penalty to be

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charged. Such documents have to be communicated within 5 working days to the administration of the RDA.

- 3.9** The parties agree that in case of debt, disagreement or dispute, unless solved through mitigation and negotiations that the case will be settled according to the local legislation.

#### **4 Agreement Entry into Force**

- 4.1** The Agreement term starts upon its signing and expires upon execution of the works.  
**4.2** The Agreement will be considered fulfilled after concluding a relevant Delivery-Acceptance Act to be signed and dated by both parties.  
**4.3** The applicable language of the Agreement is Russian.

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**RDA**

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**Customer**