Annex N4

Terms and Conditions of Reimbursement

1. Under the Program, beneficiaries shall be reimbursed for marketing expenses incurred **either across all regions collectively or, at the beneficiary's discretion, in no more than two regions** (excluding marketing expenses incurred in Georgia, GUAM countries and CIS countries), provided that, in the region(s) specified in the application, the beneficiary:

a) exports a greater volume (liters) of wine in the current calendar year than in the preceding calendar year;

b) incurs higher marketing expenses during the current reporting period than those incurred during the preceding reporting period.

2. The amount to be reimbursed shall be calculated as follows:

a) The volume of wine (in liters) exported during the preceding calendar year shall be deducted from the volume of wine (in liters) exported during the current calendar year;

b) The amount of marketing expenses incurred during the preceding reporting period shall be deducted from the amount of marketing expenses incurred during the current reporting period;

c) The amount of marketing expenses calculated in accordance with subparagraph "b" of this paragraph shall be divided by the volume of wine (liters) calculated in accordance with subparagraph "a" of this paragraph, and the resulting amount shall represent the marketing expenses to be reimbursed per liter of exported wine, **which shall not exceed 2 GEL**

d) The volume of the wine (liters) calculated in accordance with subparagraph "a" of this paragraph shall be multiplied by the reimbursable marketing expense obtained in accordance with subparagraph "c" of this paragraph, and the reimbursable amount shall be obtained.

3. The maximum amount of reimbursement payable to each beneficiary during a calendar year shall not **exceed GEL 300,000 (three hundred thousand).**

4. In the case of a small winery per beneficiary, during the calendar year, the expenses incurred in accordance with the document submitted in accordance with subparagraph "b" of Article 5^1 of the Program will be reimbursed in the amount of no more than 300 (three hundred) GEL.

5. For the Program, the volume (liters) of wine sold in Georgia and exported to GUAM and CIS countries, as well as the marketing costs incurred will not be calculated within the framework of the program.

6. In the event that the beneficiary has not incurred marketing expenses and/or has not exported wine in accordance with the terms of the program in the previous calendar year and reporting period, the calculation will take into account the last marketing expenses incurred and the volume of exported wine within the past 3 years.

7. A financing agreement will be signed with a potential beneficiary if they have incurred marketing expenses in any of the last 3 years and have exported wine in accordance with the terms of the program.