

**REF: GM (P)/CAC/CONT/Payment Gateway& Fraud Prevention Solution (ICT)/20**

M/S \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SUB: Corrigendum Revise Implementation of payment gateway & fraud prevention solution.**

**Dear Sirs,**

We are pleased to invite your sealed tenders for the item mentioned above. In case of more than one schedule separate tender for each schedule should be furnished. The terms & conditions of the tender / supplies are given below;

**A) SUBMISSION OF TENDER**

1. You are required to send your tenders addressed to General Manager Procurement, PIA Supply Chain Management, and JIAP Karachi latest by **10-02-2020 hrs.** The tenders may be dropped in the tender box marked as “**Tender Box Commercial Purchases**” placed at the entrance of the PIACL Supply Chain Management Building latest by **10:30** hours on the specified date. You may also send your tenders through registered A/D mail addressed to General Manager Procurement, which must reach before the closing date and time mentioned above. **Tenders will be opened at 11:00 hours** the same day in the presence of tenderers.

2. Tenders received after stipulated date & time shall not be considered. The Corporation will not be responsible for postal delays. The decision of Chairman Tender Committee in this respect shall be final and binding.

**3. Bidders are required to submit a Pay Order of Rs. 3000/- (Non-Refundable) as tender fees along with Technical Proposal (Local Bidders).**

**B) EARNEST MONEY (Local Bidders Only)**

The Tender should be accompanied a Pay Order payable ( valid for 180 days from the date of tender opening) equivalent to 2% of total bid value in the name of M/S PAKISTAN INTERNATIONAL AIRLINES as interest free Earnest Money (Refundable). Earnest Money in shape of pay order or Bank Guarantee / Insurance Guarantee and any other shape shall not be accepted. Earnest / Security Money deposited against a running contract (s) purchase orders (s) shall not be transferable as earnest money for any other tender. All tenders without Earnest Money shall not be considered.

**C) SECURITY DEPOSIT (Local Bidders Only)**

The successful tenderer upon award of Contract / Purchase Order will be required to furnish security deposit (Pay Order OR Bank Guarantee / Insurance Guarantee) in the amount equivalent to 5% of total tender value stated in the Letter of Acceptance as interest free Security deposit and to remain valid 3-months after the expiry period of the Contract. The Earnest Money already held can be converted into Security Deposit and balance amount if any shall be deposited as above.

**D) Instruction to Bidder**

**PREPARATION OF TENDER**

**“Single Stage Two Envelope Basis”**

- The BID (Tender) submitted shall comprise of a single package containing two sealed envelopes, each envelope shall be marked and will contain “**TECHNICAL**” and “**FINANCIAL**” proposal.
- On the given tender opening date only “**Technical Proposal**” will be opened in the presence of tenderers available.
- The “**Financial Proposal**” shall be shown to the parties but will be retained with PIA without being opened.
- After Technical Evaluation of the received Technical Proposals, Financial Proposals will be opened publicly at the date, time & venue to be announced and will be communicated to the bidders in advance.
- PIA will open the “Financial Proposals” publicly of the parties whose Technical Proposals have been found acceptable.
- Financial Proposals of the technically not-acceptable bids shall be remained **un-opened** till the completion of tender process.

**E) PREPARATION OF TENDER - TECHNICAL PROPOSAL:**

All mandatory requirements are given in the RFP

Please give all the available technical details of the items offered by you, supported with the technical literature, brochure, drawings and pictures, client list details, authorization certificates etc.

BIDS / Tenders / Technical Proposal received shall be evaluated in accordance with the given technical specifications.

PIA’s requirements with Technical Specifications are given.

Bidders **MUST**:

- Be registered with Sales Tax Authorities, please attach copy of Registration Certificate (Local Bidders Only).
- Quote Rates, GST, and other taxes separately.
- Affix the company seal on all tender documents.
- Soft copy in USB should also be provided

Mention clearly Tender Reference on **TOP RIGHT CORNER OF PROPERLY SEALED ENVELOPE, BEARING COMPANY’S STAMP**

**F) PREPARATION OF TENDER – FINANCIAL PROPOSAL**

The tenders should be enclosed in double cover. The inner cover should be sealed having enclosed the following documents:

- a) Original Pay Order or Bank Guarantee for Earnest Money.
- b) Undertaking on Rs. 100/= above non-judicial Stamp Paper duly signed and stamped by a Public Notary Oath Commissioner (Local Bidders Only).
- c) The outer cover should bear address of the General Manager Procurement, PIA SCM Building, Karachi Airport and reference number of the tender with opening date of tender.
- d) All information about the services /material proposed to be supplied must be given as required in the schedule to tender.

**G) PRICES**

- The Prices mentioned in the tender will be treated as firm till the completion of Purchase Order /Contract.
- The Prices must be stated both in words and figures. Additional information, if any must be linked with entries on the Schedule to Tender.
- Offers must be valid for 180 days.

**H) Duration of Contract**

Contract will be awarded for the period of three years further extendable two more terms of (one year each) subject to satisfactory performance of the Contractor, with respect to the PIACL requirements and on the mutual agreement of the parties.

Yours truly,

**Muhammad Usman Akhtar**  
**GM Procurement**  
**Supply Chain Management PIA Head Office, Karachi.**  
**Ph: 021 9904 3081, 9904 4101**  
**Email: khijzpk@piac.aero, contract.administration@piac.aero**



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# REQUEST FOR PROPOSAL

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Implementation of Payment Gateway & Fraud Prevention Solution



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## **ABOUT PIA**

Pakistan International Airlines Company Limited (PIACL) is the national flag carrier of Pakistan and is in the business of air transportation of passengers and cargo and related activities. PIA's primary focus is to serve the Pakistani community at large and travelers across the globe in general. The airline has its offices and stations located across the world.

## **INTRODUCTION**

As a part of strategizing PIACL position in the niche markets, and to opt for the latest technological platforms, PIACL is looking for managed services from commercial banks/ financial institutions for provision of Payment Gateway services along with Fraud Prevention solution for PKR currency payments through debit cards, credit cards and online funds transfer, direct payment and Point of Sales services. Customer convenience will be the core objective of the services.

In this regard quotations are requested from the banks / financial institution regulated by the State Bank of Pakistan for the acquisition/opening of E-merchant account/service of internet payment gateway and fraud prevention solution.

## **SCOPE OF WORK**

PIACL intends to select Internet Payment Gateway Service Provider, hosted at vendor's premises, for providing Electronic Payment Services along with fraud prevention solution for booking, reservations and for future services offered by PIACL through Credit cards/ Debit cards/ Net Banking/ Cash Cards/Immediate Payment Service (IMPS) etc.

- The solution should be scalable and should comply with all international standards at various regions of the world like PCI DSS etc. and domestic standards specified by regulatory authorities like SBP (including KYC) / FBR / Ministry of Finance or any other Government guidelines issued from time to time.
- The solution should have a real time advanced fraud prevention & risk management capability.
- Fraud Prevention; Detailed fraud prevention mechanism, PCI & GDPR compliant, 3D Secure and ECI (Electronic Commerce Indicator) capabilities before ticket issuance and transaction generation from customer account based on credit/debit cards rules defined by airline and standard checks to be available. This should also be in line with the applicable PIACL policies and in accordance with GAAP (Generally Acceptable Accounting Principles).

- Direct Debit; Integration with existing banking link networks to enable direct debit facility from bank account through virtual process. The facility must be compatible with both mobile and website.
- The solution should have an uptime of 99.5% and should have a dedicated connection to PIACL Data Center, DR or the PIA authorized location (local or international).
- Bidder provides all the material / document along with the technical support person for onsite support if required.
- For legal purposes such as Audit, Court Cases, system generated reports/logs are provided as and when required.
- The bidder provides technical support and training as and when required for integration/administration/reporting of payment gateway API with PIACL Systems.
- The bidder shall also provide adequate training for installation and maintenance of any software required for this project to PIACL.
- The bidder shall be responsible and liable to cater, resolve, handle and settle any dispute/charge back/ or any objection raised by any user, bank or entity due to any reason including misuse of cards. PIAC shall not be responsible or liable on any such disputes or charge back, Unless attributable to PIA.
- The bidder shall provide the real-time visibility for all the transactions (nothing exceptional).
- The bidder will provide APIs for WEB/ APP/ IVR/ Social Media or any other facility or feature require by PIACL.
- It is clarified that the selected payment gateway will be non-exclusive, i.e., PIACL reserves the right to have multiple payment gateways in parallel.
- PIACL reserves the right for use of any payment gateway at any sale channel / location (i.e., Counter, PoS, BSP or any web interface) as per PIACL requirement.

## **PROPOSAL SUBMISSION GUIDELINES**

### **DOCUMENTATION**

As part of its Technical Proposal, the Contractor must describe the level and types of documentation that will be delivered. Two complete hardcopy sets of documentation for all bidders supplied components for this Project must be furnished, in addition to softcopies on USBs.

The manuals should feature clear organization of content, easy to understand language, useful graphic presentations, and a thorough index and glossary. These will be under the following categories:

- **Solutions Design Document:** Complete technical design of the proposed solution.



- **Overview of firm:** a brief outline of Proponent's experience along with pertinent corporate details including full legal company name; year business was established; and number of people currently employed.
- **Project and Client Management:** a detailed description of the approach and methodology for managing projects and client relationships.
- **Project Plan:** a detailed breakdown of all deliverables identified in the Scope of Work including, methods, tools and timeline to complete the project.
- **Project Management Team:** a detailed description of the firm's project management team including skills, experience and capabilities of relevant staff.
- **Client Reference List:** provide a client list for similar projects completed in the last three years for three different clients.
- **Project Costs:** The bidder shall provide the total itemized price for the project based on the Scope of Work

### **ACCEPTANCE, AWARD AND REJECTION**

- PIACL reserves the right to terminate the process without awarding the contract.
- PIACL reserves the right to accept or reject any part, or all, of each proposal submission and/or not to make an award if none of the proposals received meet the requirements.
- PIACL will not be responsible in law or in equity to any proponent for any claim for losses or damages, or any other relief, arising out of the RFP process including the selection or rejection of any particular section of this proposal.
- PIACL interpretation of the contents of the official proposal documents shall prevail.

### **SYSTEM ACCEPTANCE TESTING**

- Unsatisfactory performance of the System may result in rejection of part or all of the system under user acceptance testing (UAT). Acceptance testing will run for one week. Acceptance test will end when the performance of the system met the functional & technical requirement.
- At the end of the successful completion of the acceptance test, the system shall be accepted.

### **AWARD AND EXECUTION OF CONTRACT**

- PIACL will provide written notice to the successful bidder, to advise that the proposal has been accepted.



- The successful bidder shall be required to enter into a contract with PIACL until unless a contract is signed between the selected bidder and PIACL.
- PIACL will not be responsible for any charges/fees/payment whatsoever until unless contract is signed between both parties.

## **TRAINING**

Bidder shall organize for training as follows:

1. Adequate user level training at bidder's Central office should be provided in batches during installation/configuration.
2. Hands on support to be provided to the users at bidder's Central office for time to time basis to the users.
3. Minimum one trainer should be made available for hand holding i.e. on the job training period.
4. Bidder will provide documentation to each participant (hardcopy and softcopy).
5. Document should give illustration for each type of activity with issues and action steps.
6. Training also includes Knowledge transfer to core team, engineers/operators and support personnel.
7. User training should include amongst other the following:
  - a) Features/Functionality available
  - b) Administration/Parameterization
  - c) Trouble shooting,
  - d) Interpretation of Reports/logs etc.

## **DISASTER RECOVERY SITE**

The bidder should mandatorily have a business continuity plan in place, including a DR site hosting the proposed solution, for uninterrupted services and access control server operations in a scenario where the primary site of business is affected due to disaster. The bidder should provide an undertaking stating the availability of the DR site.

## **EVALUATION OF BID**

### **SELECTION CRITERIA**

Bids of the bidder whose proposal complies with all the mandatory requirements, will be evaluated for technical and financial requirements for total marks of 100. Selection will be made on the combined weighted average of technical and financial proposals. Weightage factors are as under:

Technical Proposal: 70%

Financial Proposal: 30%

#### **For Calculation Purpose:**

**No. of PKR Transactions:** 7,500 per month

**Transactional Value (per month):** PKR 250 million

**Bid Value** = Fixed Rate (per transaction based) x 3 (yrs.) x 12 x 7,500

**Earnest Money** = Bid Value x 2%

**Bid Security** (after awarding the contract) = 5% Bid Value = Earnest Money + (Bid Value x 3%)

### MANDATORY REQUIREMENTS

Bidder must comply with all the Mandatory Requirements. Failure to comply with any of the Mandatory Requirements item will automatically be disqualified. Documentary proof for each mandatory requirement shall be required.

Sr. No	Mandatory Requirements	Yes/No
1	A duly authorized signing officer of the firm has signed and dated letter by which they are agreeing to be bound by the proposal and the terms, conditions and description of services.	
2	The bidder should be a company registered with SECP, FBR and other relevant authorities of relevant provincial and/or federal Government and International Institutions.	
3	The bidder should be authorized by State Bank of Pakistan to provide Internet Payment Gateway Services and/or Other Payment Collection services.	
4	Bidder should have implemented and/or managed Payment Gateway Solution successfully either on own premises or customer premises, for at least in two large scale listed companies registered with SECP etc. Organizations in Pakistan or globally.	
5	Proposed solution must be PCI & GDPR compliant and have 3D Secure capability with ECI (Electronic Commerce Indicator). The system performance reports in terms of security will be shared with the PIACL.	
6	Fraud Management Module: There should be authentic, robust and a fool proof fraud management / fraud screening module for fraud prevention, enabling prevention of all possible chargeback to PIACL.	
7	Real time integration with system along reporting and visibility of all the real-time transactions and its confirmation.	
8	There must be merchant portal services. The portal must give real time access to transaction history, complete ticket wise sales transactions, refund transactions, chargeback and settlement reports. Providing access to ascertain reports regarding transactions processed and certain reporting tools to assist accounting activities.	
9	Bidders must have valid contracts with all the 3 <sup>rd</sup> parties (if any) prior to the date of participation in the tender.	
10	The Bidder should not have been blacklisted by any of the Government/Regulatory Authorities or Public-Sector entities (PSEs). The Bidder shall give an undertaking on their letter head stating that the Bidder has not been black listed by any of the Government Authority or PSE.	
11	A tax compliance declaration that the bidder's taxes are or will be in good standing prior to signing an Agreement.	
12	A declaration that the Proponent has not given, directly or indirectly, a benefit of any kind to anyone employed by, or otherwise connected with, PIACL for receiving favorable treatment.	
13	Successful Bidder should be liable to deposit the performance guarantee in shape of Security Deposit not exceeding 5% of the total contract value	

	which shall be subjected to all the other mutually agreed terms and conditions of the contract/agreement.	
<b>14</b>	Basic components of the customer data will be recorded including but not limited to the Customer Name, Address, Contacts, Card number, Bank Account, Card Type etc. as per GDPR and SBP KYC (Know Your Customer) requirements.	
<b>15</b>	The bidder must have process in place for periodic vulnerability assessment/ penetration testing. A certificate and details related to assessment frequency should be presented as part of the proposal documents.	
<b>16</b>	The bidder shall capable to provide multiple (both Credit & Debit) Card schemes (either primary and supplementary cards) and support various payment channels including but not limited to Direct bank transfers, internet banking, mobile banking, online banking, branchless banking and other available and upcoming channels.	
<b>17</b>	The system will maintain the records of all the transactions for at least 10 years.	
<b>18</b>	There must be option of branding of payment page with our logo, footer, text style, colors to give the applicant same website experience.	
<b>19</b>	Chargeback Mechanism; Detailed chargeback mechanism including notification served to PIAC and response time needs to be provided. Unilateral deduction against chargeback is unacceptable.	
<b>20</b>	Direct Support & Incident Resolution Services; Ensure direct support along with provision of incident resolution services. In case of experiencing any problem by PIAC, an immediate support for problem resolution within the stipulated timeframe to be agree in SLA.	

**TECHNICAL PROPOSAL'S EVALUATION:**

Technical Evaluation will be based on Mandatory Requirements and Technical Requirements. Bidder must comply with all the mandatory requirement. Failure to comply with any of the mandatory requirements item will automatically disqualify the bid.

Technical Requirements are based on scoring system. Total marks are 75. Bidder must acquire 70% of total marks of the Technical Requirements to qualify for the opening of Financial Proposal. Less than 70% of the score will result in bid's disqualification.

S. No	Criteria	Marks
1	<b>Web/Mob/IVR/Call Center/ Social Media/etc. API;</b> There must be Web/App/IVR/ Call Center/ Social Media/ etc. API integration option without any additional licensing / certification requirement from PIA.	<b>5</b>
		Y = 5 N=0
3	<b>Card system / scheme support:</b> Vendor should support the card scheme as per the provided "Card Scheme" (e.g. VISA, UnionPay, MasterCard etc.). For 5+ cards support = 15 points For 4 cards support = 10 points For 1-3 cards support = 5 points	<b>15</b>
4	<b>No. of Customers in the local market using same PGW services.</b> For No existing customers = 0 point For 10+ customers = 15 points For 6-10 customers = 10 points For 1-5 customers = 5 points	<b>15</b>
5	<b>PCI-DSS Level</b> L1: 6M+ Transaction/year = 10 L2: 1-6M Transaction/year = 7 L3: 20K-1M Transaction/year = 5 L4: <20K Transaction/year = 0	<b>10</b>
6	<b>Refund Mechanism;</b> Detailed refund mechanism mentioning timelines for processing of refund transactions into customer account based on credit/debit cards type needs to be shared. This should also be in line with the applicable PIACL refund restrictions and policies and in accordance with GAAP (Generally Acceptable Accounting Principles). Settlement period: Less than 24hrs = 15 points Less than 48hrs = 5 points More than 48hrs = 0 points	<b>15</b>
7	<b>Presentation/Walkthrough/Demo/On-site visit</b> – Scoring for this point will be at the discretion of PIAC's evaluation team. Marks will be given on the basis of Satisfactory, Good and Excellent. Degree will solely be decided by PIACL's evaluation team.	<b>15</b>
		S=5 G=10 E=15
	<b>Total</b>	<b>75</b>

### FINANCIAL PROPOSAL'S EVALUATION

Financial Proposal's marks are 30. The Financial proposal should give all relevant price information and should not contradict the technical proposal in any manner. All prices should be quoted in Pak Rupees only. Prices should be valid for 180 days from the date of submission. All increases in price will be to bidder's account.

S. No.	Criteria	Marks
1	Bidder will require to submit last three years' audited reports (Yes = 5, No = 0)	5
2	<b>Lowest Bid</b> (3 <sup>rd</sup> Lowest = 15, 2 <sup>nd</sup> Lowest = 20, 1 <sup>st</sup> Lowest = 25, rest = 0)	25
<b>Total Marks</b>		<b>30</b>

**Financial Proposal will be submitted on the following format for the proposal.**

S. No	Description	Units and Numbers	Unit Rate (Excl. Taxes)	Taxes	Unit Rate (Incl. Taxes)	Total Cost (Rs.) (Incl. All Taxes)
		(A)	(B)	(C)	(X=B+C)	(Y =AxX)
1	Implementation charges	One time				
2	Charges per transaction	Transaction				
3	Chargeback Rate	Transaction				
4	System Support/ Maintenance Charges (if any)	Yearly				
5	<b>Other costs (if any)</b> List here with details-any other third-party cost involved to render service with details Insert row for each specified cost.	Lump Sum				
6	Managed Services fees (if any)	Transaction				
<b>Grand Total Bid Price</b>						

**Notes:**

- 1) The bids shall be prepared on the volumes of inputs given in Table above.
- 2) All cost must be exclusively mentioned in this proposal and no hidden or other cost will be accepted later.
- 3) Payment against all above mentioned services will only be made on actual consumption basis and against successful connected calls (manned, robot etc.)
- 4) Any third-party cost / charges whatsoever incurred by the Contractor upon which the provision of aforementioned services is dependent, are to be included in Table separately under the head of 'Other costs.
- 5) All government notified fees, charges, taxes (if any) incurred to offer the aforementioned services shall be transferred as per actual to the Purchaser after prior approval from the Purchaser
- 6) The bid security to be calculated at the grand total of the bid.
- 7) Amount in the Grand Total Box will determine the total bid cost for awarding of the tender.

**Draft Contract**



**TERMS & CONDITIONS OF THE CONTRACT**

**Contract Title:**

**[Name of Contractor]**

**Dated:**

THIS Contract is made on \_\_\_\_\_ between PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED, a public limited company incorporated, governed and operating under the laws of Pakistan having its Head Office at Karachi Airport (Hereinafter called the "PIACL" or "Purchaser") of the one part

AND

[name of the Contractor], having its head office at \_\_\_\_\_ (hereinafter referred to as the "Contractor" which expression shall where the context so admits include its successors and assigns) of the SECOND PART.

The PIACL and the Contractor may individually be referred to as a "Party" and collectively be referred to, as "Parties", respectively, as the context of this Agreement requires.

### **RECITALS**

WHEREAS,

- (a) The purchaser intends to spend a part of its budget / funds for making eligible payments under this contract. Payments made under this contract will be subject, in all respects, to the terms and conditions of the Contract in lieu of the consulting services as described in the contract.
- (b) The Purchaser invited the bids through process as defined in applicable laws whereby after completing the process the bid of the for the provision of certain services as described in Tender Document; and the bid of the Contractor has been selected after technical and financial evaluation.
- (c) The Contractor, having represented to the Purchaser that it has the required professional skills, and personnel and technical resources, has agreed to provide such services on the terms and conditions set forth in this Contract.

NOW THEREFORE, the Parties to this Contract agree as follows:

#### **1. Term:**

1.1. This Agreement shall commence and be effective from date of signing and, unless earlier terminated, shall remain in force for a period of three (03) years and extendable for two (2) more terms of one (01) year each on the satisfactory performance of the Contractor, with respect to the PIACL requirements and on the mutual agreement of the parties.

#### **2. Services:**

2.1. Contractor shall provide the PIA with all those Services under this Agreement including those services outlined in Scope of Work. The services shall be provided on as and when required by the PIA and shall be in accordance with Payment Card Industry (PCI)/ DSS and other related standards.

#### **3. Approvals:**

3.1. Contractor shall obtain and maintain in force at all times during the Term all licenses, approvals, consents, authorizations and licenses necessary to provide the Services to the PIA

as per the terms of the Agreement including without prejudice to the generality hereof the requisite licenses, approvals from State Bank of Pakistan (SBP) or any other relevant authority, agency or body.

3.2. The PIA shall obtain and maintain in force at all times during the Term all licenses, approvals, consents, authorization and licenses necessary to avail the Services.

#### **4. Force Majeure:**

4.1. No delay or failure in performance by either Party hereto shall constitute default hereunder or give rise to any claim for loss, costs, damages and expenses if, and to the extent, such delay or failure is caused by force majeure. Unless such force majeure substantially frustrates performance of this Agreement, force majeure shall not operate to excuse, but only to delay, performance.

4.2. Force majeure is an occurrence beyond the control and without the fault or negligence of the Party affected and which said Party is unable to prevent or provide against by the exercise of reasonable diligence including but not limited to: acts of God or the public enemy; changes in applicable law; war, rebellion, civil disturbances, sabotage, riots, floods that could not reasonably have been anticipated; fires, explosions, or other catastrophes which are not within the reasonable control of the Party (“Force Majeure Event”).

#### **5. Liabilities:**

5.1. Neither Party shall be liable to the other for (i) libel, slander, or infringement of copyright from or in connection with the transmission of communications hereunder, (ii) any claim arising out of any act or omission of the other Party or its employees, agents or contractors ; or (iii) any claim arising out of a breach in the privacy or security of communications transmitted over the facilities or other property of Contractor and Contractor will not be liable for any unlawful or unauthorized use of the Equipment or Services by the PIA, its employees or agents (including all its employees, directors and sub-contractors).

5.2. Contractor shall not be liable in respect of Services provided to the PIA for any indirect, incidental or consequential loss, including loss of expected profits and any third-party liabilities.

#### **6. Suspension/Termination/ of the Agreement:**

6.1. The occurrence of any of the following events of default by either Party which if not cured within the time period permitted (if any) to cure, shall give rise to the right on the part of the other Party to terminate this Agreement; provided, however, that no such event shall be an event of default by a Party (i) if it results from a breach by the other Party or (ii) if it occurs as a result of or during a Force Majeure event:

6.1.1. the passing of a resolution by the shareholders of either Party for the winding up of such Party;

6.1.2. the voluntary filing by either Party of a petition of bankruptcy, moratorium, or other similar relief; the appointment of a provisional liquidator in a proceeding for the winding up of either Party after notice to such Party and due hearing, which appointment has not been set aside or stayed within ninety (90) days of such appointment; the making by a court with jurisdiction over either Party of an order winding up such Party that is not stayed or reversed by a court of competent authority within thirty (30) Days;

6.1.3. faulty, inefficient, defective or deficient transmission/ provision of the Services which is not remedied within ten (10) days after notice of the defect is given;

- 6.1.4. suspension or outage of the Services for a period of 10 days or longer or cumulative periods together and excess of 15 days subject to clause 7 and 9.
  - 6.1.5. Any material breach by either Party of this Agreement, which is not remedied within ten (10) days after notice from the other Party to the Party in breach, which notice states that a material breach of such agreement has occurred that could result in the termination of such agreement, identifies the breach in question and demands remedy thereof.
  - 6.2. Where the PIA wishes to cancel at any time after the commencement of Services then PIA shall pay Contractor an amount equivalent to three (03) months service charges or give Contractor a three (3) months' notice, in writing
  - 6.3. Notice of Termination: If either Party commits any breach of this Agreement and fails to remedy it within the applicable cure period agreed between the parties, if any, the Party not in default may by written notice immediately terminate this Agreement.
  - 6.4. Upon expiration or termination of this Agreement, the Parties shall have no further obligations hereunder except for obligations that arose prior to such expiration or termination and obligations that expressly survive such expiration or termination pursuant to this Agreement.
- 7. Waiver:**
- 7.1. Failure by either Party to exercise any rights under this Agreement in any one or more instances shall not constitute a waiver of such rights in any other instance. Waiver by such Party of any default under this Agreement shall not be deemed a waiver of any other default or continuing default, as the case may be.
- 8. Dispute Resolution**
- 8.1. The PIACL and the Contractor shall make every effort to amicably resolve, by direct informal negotiation, any disagreement or dispute arising between them under or in connection with the Contract.
  - 8.2. If, after thirty working days, from the commencement of such informal negotiations, the PIACL and the Contractor have been unable to amicably resolve a Contract dispute, either party may, require that the dispute be referred for resolution by arbitration under the Pakistan Arbitration Act, 1940, as amended, by one or more arbitrators selected in accordance with said Law. The seat/place of arbitration shall be at Karachi, Pakistan. The award shall be final and binding on the parties.
- 9. Statutes and Regulations**
- 9.1. The Contract shall be governed by and interpreted in accordance with the laws of Pakistan.
  - 9.2. The Contractor shall, in all matters arising in the performance of the Contract, conform, in all respects, with the provisions of all Central, Provincial and Local Laws, Statutes, Regulations and By-Laws in force in Pakistan, and shall give all notices and pay all fees required to be given or paid and shall keep the PIACL indemnified against all penalties and liability of any kind for breach of any of the same.
  - 9.3. The Courts at Karachi shall have the exclusive territorial jurisdiction in respect of any dispute or difference of any kind arising out of or in connection with the Contract.
- 10. Confidentiality:**
- 10.1. Contractor and the PIA, to the extent of their contractual and lawful right to do so, shall exchange proprietary or confidential information as reasonably necessary for each to perform its obligations under this Agreement. All information relating to the Agreement

provided by either Party to the other, whether oral or written, and when identified in writing as confidential or proprietary is hereby deemed to be confidential and proprietary information ("Proprietary Information"). The obligation of a Party in relation to the Proprietary Information shall not apply to that information which:

- 10.1.1. now or hereafter enters the public domain through no fault of that party; or
- 10.1.2. can be proved to have been in the possession of that party at the time of disclosure and which has not been previously obtained, directly or indirectly, from the other party hereto as evidenced by the receiving party's written records; or
- 10.1.3. otherwise lawfully becomes available to that party from a third party under no obligation of confidentiality at the time of disclosure; and
- 10.1.4. is required to be disclosed by any applicable law, governmental order, decree, regulation, license or rule to which the relevant party is subject.

**11. Notices:**

- 11.1. All notices provided for herein (other than routing communications concerning the services to be provided hereunder) shall be given in writing, and shall be mailed by registered or certified mail, return receipt requested be addressed to the nominated point of contact.

**12. Payment:**

- 12.1. No advance payments shall be made.
- 12.2. PIA shall make the payments monthly or receipt of invoice from the Contractor, after verifying its correctness. The invoice should be accompanied by the detailed payment gateway and online authentication transactions along with uptime reports for verification by the PIACL's authorities.
- 12.3. Payment terms for implementation would be decided mutually.

**13. Subcontracting:**

- 13.1. The Vendor will not subcontract or delegate or permit anyone other than the vendor's personnel to perform any of the work, service or other performance required of the vendor under this agreement. In the event of the vendor's transferring or assigning the order whole or part to anyone without PIACL's permission, he shall be considered as having thereby committed a breach of agreement in question and shall make the order liable to be cancelled and the security money shall be liable to be forfeited.

**14. Service Level Agreement**

- 14.1. PIACL will notify the successful Bidder that its Bid has been accepted, the Bidder shall be enter into a Service Level Agreement (SLA) with the PIACL, containing all the Terms and Conditions of this RFP, including confidentiality, non-disclosure and penalty clauses, and any other clause relevant to the services offered.
- 14.2. Though the contract will be signed only with the selected principal Bidder, it shall be the selected Bidder's responsibility to ensure that the quality of work contracted with agents/associates/partners will not be compromised and will be in tune with industry standards.
- 14.3. Services delivered by the vendor should comply with the mutually agreed SLA and any violation of SLA will attract mutually agreed penalties.

**15. Prices/Service Fee**

The Services Fees/Prices quoted by the Contractor at the time of bid shall be locked during the whole period and or during the period extension of this contract The Contractor shall not

charge prices/fees for the Services provided/supply and for other obligations discharged, under the Contract, varying from the prices/service fee quoted by the Contractor.

#### **16. Security Deposit**

At the time of the execution of this Agreement the Contractor shall deposit in form of bank guarantee(5% of total contract value) as interest free security deposit with the Authorized Office of PIACL. PIACL shall have the right to recover / adjust all liabilities of the Contractor from the amount of Security deposit furnished/deposited by the Contractor. The Interest Free Security Deposit shall remain with PIACL after three months of the expiry/termination of Agreement and the same will be refund to the contractor after deduction of all the outstanding amounts and/or dues recoverable from the Contractor in relations to, arising out of and/or connected with this agreement. In addition, PIACL shall always be entitled to recover any other amount through different modes and methods provided under the applicable laws.

#### **17. Recoveries**

When any amount is recoverable from the Contractor due to any default under this Agreement, PIACL shall be entitled to deduct any such amount from the pending invoices and /or through Security Deposit including without limitation other lawful means from the Contractor whether due in respect of this or any other Agreement and /or from any other due amount lying with PIACL and the Contractor will have no objection on recovery of the same by PIACL.

#### **18. Indemnity**

18.1. The Contractor undertakes and agrees to indemnify and hold harmless PIACL, its officers and agents from and against all claims, demands, liabilities, damages and expenses of any nature whatsoever, arising out of or resulting from this contract whether due to performance / non-performance or poor performance of any services under this Agreement by the Contractor, its employees or its agents or otherwise. In any case, the obligation on the part of the Contractor to indemnify shall be limited to cases where cause(s) giving rise to any such claim, demand, liability, damage, expenses etc. are proven to have been attributed beyond doubt solely to the Contractor.

18.2. If the Contractor assigns this Agreement to any other party in contravention of this Article, PIA in its discretion may terminate this agreement and / or black list and debar the Contractor for future to execute any contract with PIA with confiscation of Security Deposit and/or claim damages through legal recourse.

#### **19. Assignment**

19.1. The Contractor shall not assign or sub-contract its obligations under the Contract, in whole or in part, except with the PIACL prior written consent. In case of written consent by PIACL, all the expenses of assignment shall be borne by Contractor including without limitation lawyers fee without any change in the terms of this contract, unless consented by the PIACL.

19.2. The Contractor shall guarantee that any and all assignees / subcontractors of the Contractor shall, for performance of any part / whole of the services under the contract, comply fully with the terms and conditions of the Contract applicable to such part / whole of the services under the contract.

#### **20. Taxes and Duties**



The Contractor shall be entirely responsible for all taxes, duties and other such levies imposed make inquiries on income tax / sales tax to the concerned authorities of Income Tax and Sales Tax Department.

IN WITNESS whereof the Parties hereto have caused this Contract to be executed in accordance with the laws of Pakistan as of the day, month and year first indicated above.

For **[full legal name of the Purchaser]:**

For **[full legal name of the Contractor]:**

Signature:

Signature:

Name:

Name:

Witnessed By:

Witnessed By:

**WITNESSES**

Signature \_\_\_\_\_

Signature \_\_\_\_\_

CNIC # \_\_\_\_\_ CNIC # \_\_\_\_\_

Name \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_

Designation \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_



**INTEGRITY PACT / DISCLOSURE CLAUSE**

**(To be submitted on Company's Letterhead)**

Declaration of Fees, Commissions and Brokerage Etc. Payable by the Suppliers, Vendors, Distributors, Manufacturers, Contractor & Service Providers of Goods, Services & Works \_\_\_\_\_ the Seller / Supplier / Contractor hereby declares its intention not to obtain the procurement of any Contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative sub-division or agency thereof or any other entity owned or controlled by it (GOP) through any corrupt business practice.

Without limiting the generality of the forgoing the Seller / Supplier / Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from Government of Pakistan, except that which has been expressly declared pursuant hereto.

The Seller / Supplier / Contractor certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with Government of Pakistan and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

The Seller / Supplier / Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall without prejudice to any other right and remedies available to Government of Pakistan under any law, contract or other instrument, be void-able at the option of Government of Pakistan.

Notwithstanding any rights and remedies exercised by Government of Pakistan in this regard, the Seller / Supplier / Contractor agrees to indemnify Government of Pakistan for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Government of Pakistan in any amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Seller / Supplier / Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from Government of Pakistan.

(To be submitted on Rs. 100 Stamp Paper)

General Manager Commercial Purchases &  
Contracts Procurement & Logistics Division  
Pakistan International  
Airlines Karachi

Subject: Undertaking to Execute Contract

Dear Sir,

1. We/I, the undersigned tenderer do hereby confirm, agree and under take to do following in the even tour/my tender for supply of \_\_\_\_\_ to PIACL is approved and accepted:
2. That we / I will into and execute the formal contract, a copy of which has been supplied to us / me, receipt whereof is hereby acknowledge and which has been studied and under stood by me / us without any change, amendment, revision or addition thereto, within a period of seven days when required by PIACL to do so.
3. That all expense in connection with the preparation and execution of the contract including stamp duty will be borne by us /me.
4. That we / I shall deposit with PIA the amount of security as specified in the contract which shall continue to be held by PIACL until three months after expiry of the contract period.
5. That in event of our / my failure to execute the formal contract within the period of seven days specified by PIACL the Earnest money held by PIACL shall fortified and we / I shall not question the same.

Tenderer's Signature \_\_\_\_\_

Name in full \_\_\_\_\_

Designation \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone /Fax# \_\_\_\_\_

CNIC \_\_\_\_\_

Seal \_\_\_\_\_

Date \_\_\_\_\_