

INVITATION TO BID

**GROUND FEEDING CONTRACT FOR TRANSIT/DELAYED FLIGHT PASSENGERS
AT JIAP KARACHI.**

Pakistan International Airlines Company Limited, the national flag carrier, invites sealed bids from PCAA authorized restaurant operators at JIAP, registered with Income Tax and Sales Tax Departments and who are on Active Taxpayers List of the Federal Board of Revenue for provisioning of Refreshment / Breakfast / Lunch / Dinner etc items to its passenger(s) at JIAP, Karachi.

Bidding documents, containing detailed terms and conditions, etc. are available at www.piac.com.pk. Price of the bidding documents is Rs. 6,000 (to be submitted through a pay order in the name of PIACL along with technical proposal).

The bids, prepared in accordance with the instructions in the bidding documents, must reach at **Iftikhar M. Usmani, GM Contract Management, Supply Chain Management Department, PIA Head Office, Karachi** on or before **25-08-2021** at **1030 Hrs PST**. Bids will be opened the same day at **1100 Hrs PST**. This advertisement is also available on PPRA website at www.ppra.org.pk.

GM Contract Management
Supply Chain Management Department,
PIA Head Office, Karachi.
Ph: 021 9904 4216, 9904 3081
E- mail: gm.cm@piac.aero,
contract.administration@piac.aero

REF: GMCM /GROUND FEEDING KHI/PHS/01/21

M/S _____

SUB: GROUND FEEDING CONTRACT FOR TRANSIT/DELAYED FLIGHT PASSENGERS AT JIAP KARACHI.

Dear Sirs,

We are pleased to invite your sealed tenders for the item/ services 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 GM Contract Management, PIA Supply Chain Management Building, JIAP Karachi latest by **25-08-2021 1030hrs.** 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 GM Contract Management, 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 GM Contract Management in this respect shall be final and binding.

3. Bidders are required to submit a Pay Order of Rs. 6000/- (Non-Refundable) as tender fees along with Technical Proposal (Local Bidders Only).

B) EARNEST MONEY/BID SECURITY (Local Bidders Only)

The Tender should be accompanied a Pay Order payable (valid for 120 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 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.

SECURITY DEPOSIT/ PERFORMANCE GUARANTEE (Local Bidders Only)

The successful tenderer upon award of Contract / Purchase Order will be required to furnish security deposit (Pay Order OR Bank Guarantee) in the amount equivalent to 10% 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.

C) 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.

D) PREPARATION OF TENDER - TECHNICAL PROPOSAL:

All mandatory requirements are given in the schedule

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/ requirements.

Bidders **MUST**:

- Be registered with Sales Tax Authorities (Federal/Provincial whichever is applicable); please attach copy of Registration Certificate (Local Bidders Only).
- Quote Rates, GST, and other taxes separately.
- Bid on Prescribed Performa issued by PIA (Schedule A).
- Affix the company seal on all tender documents.

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

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

F) PRICES

- a) The Prices mentioned in the tender will be treated as firm till the completion of Purchase Order /Contract.
- b) The Prices must be stated both in words and figures. Additional information, if any must be linked with entries on the Schedule to Tender.
- c) Offers must be valid for 120 days.

G) Duration of Contract

Contract will be awarded for the period of three years.

Yours truly,

Iftikhar M. Usmani

GM Contract Management

Supply Chain Management

PIA Head Office, Karachi.

Ph: 021 9904 4216, 021 9904 3081

Email: gm.cm@piac.aero, contract.administration@piac.aero

Terms of Reference (TOR)

For the party to be a prospective candidate, following TORs/specification are desired

1. Interested parties have the experience more than 5 years.
2. Having ISO9001 certificate.
3. Having a PCAA license for running of Restaurant (DOM/INT) at JIAP is **mandatory**.
4. Should be able to accommodate more than 300 passengers at a time.
5. Currently serving Airlines.
6. The party will provide the Refreshment/Breakfast/Lunch/Dinner to the passengers at JIAP, Karachi as per prescribed Menu.
7. The party shall ensure to supply in time with the best hygiene standards.
8. Light Refreshment/Breakfast/Lunch/Dinner which is served in meal boxes in satellite in case of flights delayed/diverted; all the items are provided according the approved menu and weight.
9. Likewise, for Buffet services (Refreshment/Breakfast/Lunch/Dinner) the serving of items will be served as per approved menu quantity and weight.
10. Snacks and their sidelines offered as per reputed National/International brands.
11. Ingredients used in making food should be of reputed brand.
12. Having the complete Kitchen for the preparation of food for more than 300 passengers at a time.
13. Comfortable and quite atmosphere in the lounges of high standards, furniture, fixtures, fittings and crockery etc.
14. Qualified, trained and well behaved staff at service.
15. Approximately an average consumption of meals is 6500 passengers per month based on year 2019.
16. All the payments will be based on actual consumption of services.
17. In Ramzan ul Mubarak Sehri/Iftari services are not required.
18. The duration of the agreement will be for three (3) years.

Annexure A
Menu/ Service Required

Ser	Description	Qty
<u>Break Fast:-</u>		
1.	Omelet/ Fried Eggs	2
2.	French Fries 80 gm	1
3.	Bread Slice 120gm	2
4.	Butter 10gm	1
5.	Jam 10 gm	1
6.	Tea/ Coffee 100 ml	1
<u>Light Refreshment</u>		
1.	Chicken/ Cheese Sandwich 120 gm	2
2.	Fruit Cake Slice 80 gm	1
3.	Biscuit (ticky Pack) 10.4 gm	1
4.	Tomato Ketchup 10 gm	2
5.	Tea/ Coffee/ Cold Drink 100/350 ml	1
<u>Lunch/ Dinner (Package-1)</u>		
1.	Chicken Qorma/ Karahi 150 gm	1
2.	Mix Vegetable 80 gm	1
3.	Daal Fried 80 gm	1
4.	Zeera Pulao/ Brown Rice 100 gm	1
5.	Nan 80gm	2
6.	Fresh Green Salad 80 gm	1
7.	Ice Cream/ Sweet	1
8.	Tea/ Coffee/ Cold Drink 100/350 ml	1
<u>Lunch/ Dinner (Package-2)</u>		
1.	Chicken Cutlet/ Broast Qtr 160 gm	1
2.	Saute Vegetable 120 gm	1
3.	French Fries 80 gm	1
4.	Bread Slice with Butter 120 gm	2
5.	Tomato Ketchup Sachet 10 gm	2
6.	Cake/ Ice Cream/ Sweet	1
7.	Tea/ Coffee/ Cold Drink 100/350 ml	1
<u>Individual Items</u>		
1.	Tea 100 ml	1
2.	Mineral Water (Small) 500 ml	1
3.	Mineral Water (Big) 1000 ml	1
4.	Cold Drink 350 ml	1

TECHNICAL EVALUATION CRITERIA

Total Marks	60
Passing Marks	40
Obtained Marks	

Ser	Contents	Total Marks	Marks Obtained
1	<u>Experience of the Firm:</u>	Marks - 17	
	More than 10 years of experience	10	
	More than 06 years of experience but less than 10 years	7	
2	<u>Infrastructure / Equipment Availability:</u>	Marks - 12	
	Skilled Staff	4	
	Meal Serving at least 300 Passengers within given time	5	
	Hygiene	3	
3	<u>Food Certifications:</u>	Marks - 13	
	HACCP Certificate	2	
	ISO 9001 Certification	5	
	PCAA License holder for providing Meal Services	6	
4	<u>Production infrastructure with full equipment:</u>	Marks - 6	
	Cold Kitchen	3	
	Cold Bakery	3	
5	<u>Existing Clientele:</u>	Marks - 12	
	Currently Serving Any Airlines	4	
	Serving within Airport Terminal	4	
	Infrastructure within 3 Km from Airport Terminal	4	

Schedule A

GROUND FEEDING FOR TRANSIT/DELAYED FLIGHT PASSENGERS AT JIAP KARACHI.

AA:

S. No.	Description	Average Consumption per month (approx)	Rate PKR	Value per month PKR	Value for one year PKR	Value for three years PKR (excluding the month(s) of Ramzan)
01	Breakfast	1700				
02	Light Refreshment	900				
03	Lunch/Dinner Package 1	3000				
04	Lunch/Dinner Package 2	1000				
Total Impact for three years PKR						
Applicable Taxes (if any)						
Total Impact for three years including tax PKR						

BB: (INDIVIDUAL ITEMS)

S. No.	Description	Average Consumption per month (Approx)	Rate PKR	Value per month PKR	Value for one year PKR	Value for three years PKR (excluding the month(s) of Ramzan)
01	Tea 100 ml	100				
02	Mineral Water (Small) 500 ml	150				
03	Mineral Water (Big) 1000 ml	10				
04	Cold Drink 350 ml	400				
Total financial impact for three years PKR						
Applicable Taxes (if any) PKR						
Total financial Impact for three years (including tax if any) PKR						

CC: Total Amount (AA+BB)

Description	Amount PKR for three (03) years excluding the months of Ramzan
AA	
BB	
Total financial impact for three years (including taxes if any) (AA+BB)	

Note: Payment will be made on monthly basis on actual consumption of food and provisioning of the services.

AGREEMENT

Agreement Ref.: _____, dated _____

This agreement is made at Karachi on _____ day of _____ Between M/s. Pakistan International Airlines Corporation Limited (“PIACL”) having its Head Office situated at Jinnah International Airport Karachi (Hereinafter called as the PIACL) of the one part.

And

M/s. _____ having head office (**Address**) _____ Karachi through its authorized representative Mr.-----, **Designation** .(Hereinafter called as **Service Provider** of the other part.

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

WHEREAS M/S _____ a CAA Licensee for operation of restaurant at Karachi, Airport and authorized by CAA for provision of Refreshment / Breakfast / Lunch / Dinner etc items to the passenger(s) of all airlines operating from JIAP, Karachi. M/s. _____ is agreed to supply Refreshment / Breakfast / Lunch / Dinner items to the passenger(s) of PIAC at their outlets located at JIAP, Karachi on behalf of PIA as per detail given in attached Annexure ‘A’.

NOW THIS DEED WITNESSED AS UNDER:

1- Term & Termination

- a. That this agreement shall remain in-force for a period of 3 (Three) years w.e.f from _____ to _____ .
- b. Without Prejudice to any other available rights / remedies, PIACL shall have the right to terminate this agreement immediately without assigning any reason specifically provides hereunder or otherwise in case of any breach of this Agreement by the Service at any time.

Notwithstanding anything contained in this Agreement, each party shall have the right to terminate the Agreement at any time at its option upon giving one month (30 days) written notice to the other party without assigning any reason or cause thereof.

2- Scope Of Services

That **Service Provider** will provide the Refreshment / breakfast / Lunch / Dinner to the passenger(s) at Jinnah Terminal Complex, Jinnah Int’l Airport, Karachi against orders, duly issued by the Designated Officer(s) of **PIAC**.

- 3- That the **Service Provider** shall ensure to supply and make available the best quality of food items and services as per the menu and rates (Schedule ‘A’ attached duly signed by the first and second party) and any change in the menu if desired will be made by mutual consent in writing. The package of service shall be rendered in the following manner and details:-

- (i) Refreshment / Breakfast / Lunch/Dinner Services, which are served in Meal Boxes, all the items are provided according to the approved menu and weight in case services required in Satellite due Flight delayed/diverted.
 - (ii) Likewise, for Buffet service, the serving of items will be served as per approved menu, quantity and weight. However, the food items will be served by our staff.
 - (iii) For Lunch / Dinner of at least 100 passengers, the orders should be placed at least one hour before the serving time for preparation of food items.
 - (iv) For Breakfast / Light Refreshment of at least 100 passengers, the orders should be placed at least 45 minutes before the serving time for preparation of breakfast / refreshment items.
 - (v) In case of provision of any of the services mentioned above at point (iii) and (iv) in the satellite area, the orders should be placed at least 15 minutes over & above the time mentioned above.
 - (vi) The order once placed / confirmed, it would not be cancelled in any circumstances and PIA is required to pay the whole amount of bill.
 - (vii) The concerned PIA staff is required to provide the service voucher right after the services served and sign the service bill accordingly.
 - (viii) The service should be provided to all the Transit / delay flight Passengers.
 - (ix) The authorized / designated PIA staff shall have the right to check the quality and quantity of Refreshment / Breakfast / Meal items.
 - (x) Payment will be made on actual consumption of food and actual provision of services.
- 4- That the authorized representative of **PIAC** shall place order to the representative of **Service Provider** for providing Refreshment / Breakfast / Lunch/Dinner respectively. The **Service Provider** will collect and submit these vouchers along-with monthly bills to the Station Manager, **PIAC**, JIAP by 5th of every month and payment shall be made by **PIAC** to the **Service Provider** after verification and authentication of the actual food/meal/services provided within Thirty (30) days after presenting the invoice / bill.

ARTICLE-3: PRICES

- a. The Prices and terms quoted by the Service Provider at the time of bid shall be locked during the whole period. The Service Provider shall not charge prices for the Services provided/supply and for other obligations discharged, under the Contract, varying from the prices quoted by the Service Provider in the **Price Schedule "A"**.
- b. PIA agrees to the Service Provider for the provisioning of services by it hereunder as per agreed rates described in the Schedule A. These invoices are including all applicable federal and provincial governments taxes and any other charges / taxes required to be paid on services performed under this Agreement.

ARTICLE-4: PAYMENT

- a. Payment in respect of service shall be made after 30 days of the submission of the invoice along with prescribed General Sales Tax invoices and other proof of payment of taxes in case of taxable services, which are to be drawn strictly in conformity with the orders placed by PIACL under this agreement.
- b. The payment (s) shall be made to the Service Provider after conformation from the relevant PIACL officials that contractual obligations have been satisfactory fulfilled and after deduction of all required Government taxes or fees levied by federal / Provincial Government or its authorities.

ARTICLE-5: SECURITY DEPOSIT

- a. At the time of the execution of this Agreement the Service Provider shall deposit (10% of total contract value as Performance Guarantee in shape of Pay order or Bank guarantee) interest free security deposit with the Authorized Office of PIACL. PIACL shall have the right to recover / adjust all liabilities of the Service Provider from the amount of Security deposit furnished/deposited by the Contractor.
- b. 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 Service Provider after deduction of all the outstanding amounts and/or dues recoverable from the Service Provider 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.

ARTICLE-6: RECOVERIES

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

ARTICLE-7: RESPONSIBILITIES OF THE SERVICE PROVIDER

- i. The Service Provider undertakes and agrees that in the performance of its contractual obligations assumed by it under this agreement, it shall fully comply with all the applicable laws, rules and regulations and customs prevailing from time to time in the country including but not limited to payment of wages / allowances, insurance of the employees and workers, their medical attention, gratuity, grant of annual sick and casual leave and other rights, facilities and benefits to which employees may be entitled to and hereby expressly agreed and understood by the Service Provider that all responsibilities to its employees in this regard are its liability and the grant of any such rights, facility or benefits to its employees at any time whether under any existing or future law or otherwise shall not result in any additional cost to PIA.
- ii. The Service Provider shall be solely liable for any act or omission in contravention of laws, and PIA shall not be liable for any of his act or omission, if any legal proceeding is initiated against PIA for any act or omission of the contractor. The cost (including the incidental and the consequential cost) shall be borne by the Service Provider and PIA shall have the right to recover the cost from any due amount of the contractor.
- iii. The Service Provider accepts total responsibilities for the settlement of all claims resulting from death, injury, burn or accident of any kind to its any employees, officers, advisors, agents or any other third person acting for and on its behalf in the discharge of the said services under this agreement.
- iv. If any law requires that one or both the parties register this agreement pursuant to such a law the entire cost of such registration shall be borne by the contractor.
- v. If any loss or damage is caused to PIA's property by any Contractor's employee, Supervisor, officer or representative of the contractor, such loss shall be made good by contractor.

- vi. The Service Provider warrants that it is bonafide and independent legal entity working in its own name, account and acknowledges that this agreement does not confer in any manner whatsoever upon it or any individual employed by it, the status of any employee, worker, officer, agent or advisor of PIA.
- vii. The Service Provider shall obtain / maintain insurance coverage's for its employees and or / third party or any property for any claim arising under any applicable laws from the performance or non performance or its contractual obligations under this agreement.
- viii. The Service Provider further undertakes and agrees to indemnify and hold harmless, PIA, its officers and agent from and against any and all claims, demand, liabilities, damages and expenses of any nature whatsoever, arising from or out of the execution or performance of any service under this agreement by the contractor, its employees or its agent.
- ix. All the above said liabilities of the Service Provider are without prejudice to its order present / future liabilities arising from this agreement whether due to the performance and / or non performance of its contractual obligations or otherwise.
- x. If the standard of services provided by the Service Provider in view of generally accepted Key Performance Indicator (KPI) is not upto the standard acceptable to PIACL, the PIACL may get the required services performed through other ways and means at the cost and risk of the Service Provider and the expenditure incurred on obtaining such services shall be deducted from amounts due from PIA to the contractor. If the services provided by the Service Provider are not satisfactory at the sole discretion of PIA representative then any of its authorized official impose a penalty not exceeding 10% of the total monthly bill for that month, moreover, PIA shall be at liberty to terminate this agreement without any notice. In the event of such termination entire security deposits of the Service Provider shall be confiscated by PIA.

ARTICLE-8: INDEMNITY

- a) The Service Provider undertakes and agrees to indemnify and hold harmless PIACL 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 Service Provider, its employees or its agents or otherwise. In any case, the obligation on the part of the Service Provider to indemnify shall not 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 Service Provider.

ARTICLE-9: INSOLVENCY AND BREACH OF CONTRACT

- a) Should the Service Provider be adjudicated insolvent or made to enter into any agreement for composition with the creditors or be wound up either compulsorily or voluntarily or commit any breach of this Agreement not herein specifically provided PIACL shall have the right to declare the agreement terminated forthwith and in which case the Service Provider shall be liable to the confiscation of security deposit and for any extra expenses which it might incur but it shall not be entitled to any gain or compensation from PIACL.

ARTICLE-10: SCHEDULE

- a) For all intents and purposes, the schedule (s) annexed herewith shall form an integral part of this agreement and Service Provider shall be bound to fulfill all the terms and conditions stipulated therein any deviation from the terms and conditions incorporated in the annexed schedule (s) or other part of the agreement shall be deemed to be a violation of this agreement on the part of the Contractor.

ARTICLE-11: FORCE MAJURE

- a) For the purpose of this contract “Force Majeure” means an event which is beyond the reasonable control of a party and which makes a party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances, and includes War, Riots, Storm, Flood or other industrial actions (except where such strikes, lockouts or other industrial actions are within the power of the party invoking Force Majeure), confiscation or any other action by Government agencies. If a Force Majeure situation arises, The Service Provider shall, immediately by written notice served on PIACL, indicate such condition and the cause thereof. Unless otherwise directed by the Service Provider in writing, the Service Provider shall continue to perform under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or Agents or Employees, nor (ii) any event which a diligent Party could reasonably have been expected to both (A) take into account at the time of the conclusion of this Contract and (B) avoid or overcome in the carrying out of its obligations here under.

ARTILCE-12: CORRESPONDENCE

- a) The Service Provider will not correspond with or approach any other authority, person directly or indirectly, whether the staff of PIACL or otherwise except the General Manager (PHS) and Dy General Manager Facilitation regarding any matter arising from this or any other agreement with PIACL. The Service Provider may carry on correspondence with the designated officials of the user department if so directed by authorities.

ARTICLE-12: NOTICE

All notices, requests and demand given to or made upon the parties shall be in writing and posted through Registered Mail and confirmatory Facsimile at the addresses set forth below.

GENERAL MANAGER (_ PHS _____) Address PIA .Karachi Airport. Karachi-75200 Karachi	Dy. General Manager (Facilitation_____) address PIA .Karachi Airport. Karachi-75200 Karachi
Service Provider Name: Designation: Address: Phone Fax Numbers Email	

ARTICLE -14: BRIBE

- a) Any bribe, commission, gifts or advantages given ,promised or defrayed by/or on behalf of the Service Provider or his Partner Agent or Servant or anyone on its behalf to any Officer, employee, Representative or Agent of PIACL for showing or for bearing to show favors of disfavor to any person in relation to this or any other agreement as aforesaid shall subject the Service Provider to the cancellation

of this and all or any other contract and also to the payment of amount to be decided by PIACL as damages and the this decision in this respect shall be final and binding on the Contractor.

ARTICLE -15: NO BROKER

- a) It is understood and agreed that no Broker (s)/ Agent (s) have participated in bringing the parties together or in the negotiations, and preparation of this agreement hereof has not been enhanced or increased to accommodate directly and / or indirectly any commission or fees to any person or entity whomsoever.
- b) The Service Provider agree to indemnify and hold harmless PIA from and against all claims, demands, charges, losses and judgments which may be suffered by, accrued against ,charges to or are recoverable from PIA and which arises out of the Contractor's action (s) or negotiation(s) with or in respect to Broker (s) or agents(s).
- c) Notwithstanding anything contained hereinabove, in the event that at any future date it is established that such commission and / or fees of any kind have been made by the Service Provider to any Broker(s) or agent(s) or persons or entitles whatsoever, such a sum shall be refundable immediately to PIA without prejudice to any other rights or remedies of "PIA" and PIA shall be well within its rights to set-off such sums from any dues that may be payable to this Contractor.

ARTICLE -16: ASSIGNMENT

- a. The Service Provider 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 Service Provider including without limitation lawyers fee without any change in the terms of this contract, unless consented by the PIACL.
- b. The Service Provider shall guarantee that any and all assignees / subcontractors of the Service Provider 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.
- c. If the Service Provider 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 Service Provider for future to execute any contract with PIA with confiscation of Security Deposit and/or claim damages through legal recourse.

ARTICLE -17: DISPUTE RESOLUTION

- a) The PIACL and the Service Provider 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.
- b) If, after thirty working days, from the commencement of such informal negotiations, the PIACL and the Service Provider 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. CEO PIACL or its nominee will be the sole arbitrator whose award will be final & binding.

ARTICLE -18: STATUTES AND REGULATIONS

- a) The Contract shall be governed by and interpreted in accordance with the laws of Pakistan.
- b) The Service Provider 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.
- c) 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.

ARTICLE -19: TAXES AND DUTIES

- a) The Service Provider shall be entirely responsible for all Taxes, duties and other such lives imposed make inquiries on income tax to the concerned authorities of income tax department Government of Pakistan. All inquiries on income tax / sales tax matters charged by the Service Provider and objections raised by the concerning authorities i.e. federal/provincial governments shall be dealt by the contractor.
- b)

ARTICLE -20: LIQUIDATED DAMAGES/PANALITIES

- a) If the Service Provider fails / delays in performance of any of the obligations, under the Contract / violates any of the provisions of the Contract / commits breach of any of the terms and conditions of the Contract the PIACL may, without prejudice to any other right of action / remedy it may have, deduct from the Contract Price/Security Deposit/invoices, as liquidated damages, a sum of money @ 1% of the total Contract Price which is attributable to such part of the Services / the deliverables, in consequence of the failure / delay, be put to the intended use, for every day between the scheduled delivery date(s), with any extension of time thereof granted by the PIACL , and the actual delivery date(s). Provided that the amount so deducted shall not exceed, in the aggregate, @ 1% of the Contract Price.

ARTICLE -21: BLACKLISTING

- a) If the Service Provider fails / delays in performance of any of the obligations, under the Contract / violates any of the provisions of the Contract / commits breach of any of the terms and conditions of the Contract or found to have engaged in corrupt or fraudulent practices in competing for the award of contract or during the execution of the contract, the PIACL may without prejudice to any other right of action / remedy it may have, blacklist the Contractor, either indefinitely or for a stated period, for future tenders in public sector, as per provision of PPRA Rules and PIAC Procurement Regulations and Guidelines.

ARTICLE -22: FORFEITURE OF INTEREST FREE PERFORMANCE SECURITY

- a) The Interest Free Performance Security/Security Deposit shall be forfeited by PIACL, on occurrence of any / all of the following conditions:
 - i. If the Service Provider commits default under the Contract;
 - ii. If the Service Provider fails to fulfill any of the obligations under the Contract;
 - iii. If the Service Provider violates any of the terms and conditions of the Contract.
- b) The Service Provider shall cause the validity period of the performance security to be extended for such period(s) as the contract performance may be extended. In case the Service Provider fails to

submit Security Deposit with extended validity period for such period(s) as the contract performance may be extended, an amount equal to 5% of total contract value shall be deducted from the payments to be made against the contract.

- c) If the Service Provider fails / poor/ delays in performance of any of the obligations, under the Contract / violates any of the provisions of the Contract / commits breach of any of the terms and conditions of the Contract the PIACL may, without prejudice to any other right of action / remedy it may have, forfeit Performance Security/Security Deposit of the Contractor.
- d) Failure to supply required deliverable/ services within the specified time period will invoke penalty as specified in this document. In addition to that, Performance Security amount will be forfeited and the company will not be allowed to participate in future tenders as well.

ARTICLE -23: WAIVER

- a) The failure of either party at any time to require the performance by the other of any of the terms and provisions hereof shall in no way effect the right of that party thereafter to enforce hereof the same nor shall the waiver by either of the party or breach of any of the terms or provision hereof taken or held to be waiver of any succeeding breach of any such terms or provision itself.

ARTICLE -24: AUTHORITY OF PERSON SIGNING AGREEMENT AND DOCUMENT

- a) Person signing this Agreement or any other document forming part of this Agreement on behalf of the Company shall be deemed to warrant that he has the authority to do so, and if on enquiry, it is revealed that the person so signing had no authority to do so PIA without prejudice to other legal rights / remedies cancel the Agreement without notice and hold the signatory liable for all costs and damages.

ARTICLE - 25: MISCELLANEOUS

- a) This Agreement supersedes all prior agreement (s) and understanding (s) relating to the Subject. All terms and conditions and the quoted rates are valid to the extent they are not repugnant to the terms and conditions of this Agreement or the parties specifically agreed in writing about any deviation from the terms and conditions of this Agreement.
- b) This are inserted in this Agreement for the purpose of reference and convenience and in no way define, limit or describe the scope or intent of this Agreement and / or not be deemed an integral part thereof.
- c) This Agreement shall be binding upon and shall insure to the benefit of both parties here to their respective successors and assigns provided always that any assignment shall have made in the accordance with the Article -15 hereof.

IN WITNESS WHEREOF THE PARTIES HEREUNTO SET THEIR HANDS OF THE DAY
MONTH AND THE YEAR MENTIONED HEREIN ABOVE.

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 Contract Management
Supply Chain Management Department
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 to our/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 _____

Email Address: _____