

REF: LHE/FSD/Dish.Wash & Chlorine/23

Tender Cost: PKR 3,000/-

INVITATION TO TENDER AND INSTRUCTIONS TO TENDERERSM/S _____

Sub: Procurement of Dish Wash Chemical & Chlorine for PIA Catering Operations, AIIAP Lahore against Annual contract on “As & When Required Basis” extendable for another two terms on same rates, terms & conditions.

Dear Sirs,

We are pleased to invite your sealed tenders for the item listed in the attached schedule. 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:-

SUBMISSION OF TENDER

1. You are required to send your sealed tenders In Single Stage Two Envelope Basis addressed to Manager Supply Chain Management, PIA Complex Allama Iqbal Int’l Airport (AIIAP) Lahore latest by **Tuesday, November 22, 2022**. The tenders may be dropped in the tender box placed at the entrance of the Supply Chain Management (SCM); PIA Complex AIIAP Lahore latest by **10:30 hours** on the specified date. You may also send your tenders through registered A/D mail addressed to Manager SCM Lahore, which must reach before the closing date and time mentioned above. Tenders will be opened at 11:00 hours on 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 any postal delays. The decision of Manager Procurement & Logistics in this respect shall be final and binding.
3. Non compliance to any of the terms and conditions of the tender would be liable for rejection.

BID SECURITY

The Tender should be accompanied by a Pay Order / Cash Receipt from Accounts Officer 2nd Floor AIIAP Lahore for RS. 3,000 (Rupees Three Thousand Only) as tender fee (Non-Refundable) and two (02 %) having been deposited in terms of cash receipt or a Pay Order payable at Lahore in lieu thereof in the name of M/s PAKISTAN INTERNATIONAL AIRLINES as interest free **Bid Security** (Refundable). Bid Security in any other shape shall not be accepted. Bid 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 Bid security shall not be considered.

SECURITY DEPOSIT

The successful tenderers upon award of Contract / Purchase Order will be required to furnish in the amount equivalent to five (05 %) (Refundable after the successful completion of contract period) as interest free Security deposit in shape of Pay Order of an equivalent amount. The Bid Security already held can be converted into Security Deposit and balance amount if any shall be deposited as above.

PREPARATION OF TENDER

The BID (Tender) submitted shall comprise of a single package containing two envelopes, each envelope shall be marked as “**FINANCIAL**” and “**TECHNICAL**” proposals. For technical proposals, Company profile to be attached along with the copy of GST & Income Tax registration forms as well as the two sample / brochures etc to be served as Technical Proposal. Pay Order / Cash receipt of Rs. 3,000/- in respect of Tender Fee also to be annexed with the Technical Proposal. These documents would serve as the Technical Proposals.

Financial Proposal must have following documents:

- a) The Schedule “A” duly filled in, signed and sealed.
- b) Pay Order equivalent to 02% of total value for Earnest Money (Refundable).

Technical Proposal must have following documents:

- a) Tender Fees Pay Order of RS. 3,000 (NON REFUNDABLE)
- b) Company profile, Copy of GST & NTN certificate along with **SAMPLES** / brochures etc...

PRICES

- a) The Prices quoted must be net as per accounting unit as shown in the Schedule to tender inclusive of all duties / taxes, (except GST) packing, octroi and delivery charges for free delivery to PIA Complex, AIIAP Lahore. However, if GST is applicable, same should be shown separately.
- b) The Prices mentioned in the tender will be treated as firm till the completion of Purchase Order. The Prices must be stated for each item separately both in words and figures in Pakistan Currency. Additional information, if any must be linked with entries on the Schedule to Tender.
- c) Offers must be valid for 90 days.

ACCEPTANCE OF TENDER

PIA do not pledge themselves to accept the lowest tender and reserve the right to accept or reject any or all tenders / quotations, divide business among more than one supplier or accept the tenders at rates on lowest individual items or extend the date of opening by assigning the reason / as per the PPRA Rules.

Yours truly,

**For Pakistan International Airlines
Mgr SCM LHE**

Encl:

- 1. Tender Schedule-A**
- 2. Terms & Conditions**
- 3. Single Stage Two Envelope Procedure**
- 4. Undertaking to Execute Transaction**
- 5. Integrity Pact**
- 6. Technical Evaluation Criteria**
- 7. Draft Agreement**

Note: 1- Prescribed Tenders form for the subject item may be directly downloaded from PIAC / PPRA website.

TENDER SCHEDULE “A”

REF: LHE/FSD/Dish.Wash & Chlorine/23

Sub: Procurement of Dish Wash Chemical/Chlorine for PIA Catering Operations, AIAP Lahore against Annual contract on “As & When Required Basis” extendable for another two terms on same rates, terms & conditions.

S/No	Particulars	Unit	Annual Quantity Required	Amount in PKR	17% GST in PKR (if applicable)	Total Value in PKR
01	Dish wash chemical (branded & approved by PCSIR/PSQC for Equipment washing)	KG	8000			
02	Chlorine (approved by PCSIR/PSQC)	KG	4200			
	TOTAL VALUE					
	EARNEST MONEY					

Qty may vary 15% +/- during the year.

Note:- Samples must be produced at the time of Bid opening for Evaluation.

We / I hereby confirm having read and understood the terms and conditions of the tender and we / I expressly confirm and agree that our tender for the supply of above mentioned item/s are in terms of and subject to the terms and conditions of the tenders.

TENDERER’S SIGNATURE _____ DESIGNATION _____

ADDRESS _____

Tel No. _____ Fax No. _____ Email _____

GST No. _____ NTN NO. _____

SEAL _____

Tender Terms & Conditions

- 1- ALL PARTICIPANTS / PROSPECTIVE BIDDERS ARE REQUIRED TO QUOTE RATES INCLUSIVE OF ALL GOVT TAXES & GST SEPARATELY (IF APPLICABLE).
- 2- ALL PARTICIPANTS MUST QUOTE ONE RATE AND WHILE DELIVERY WOULD BE REQUIRED IMMEDIATELY AFTER THE PURCHASE ORDER ISSUED ON “AS & WHEN REQUIRED BASIS”.
- 3- PLEASE NOTE THAT QUOTED RATES MUST BE FIRM AND FINAL IN ALL RESPECT AND WOULD REMAIN FINAL FOR ONE YEAR CONTRACT.
- 4- GUARANTEE & WARRANTEE MUST BE PROVIDED. (IF APPLICABLE)
- 5- PAYMENT TERMS NET THIRTY DAYS (NTD) INCOME TAX WILL BE DEDUCTED AT SOURCE. BILLS WOULD BE SUBMITTED TO FINANCE SECTION, PIA EGERTON ROAD OFFICE AFTER DULY ENDORSED FROM MANAGER SCM PIA LAHORE.
- 6- QUOTATION MUST BE VALID FOR 90 DAYS FROM THE DATE OF TENDER OPENING.
- 7- SUPPLIER SHOULD FULFILL ALL DOCUMENTARY REQUIREMENT AS PER PIA PROCEDURE.
- 8- SUPPLIER’S STAFF DELIVERING GOODS OR ON PERIODIC VISIT MUST BE IN CLEAN UNIFORM, NON CONFORMITY WILL BE SUBJECT TO FINE.
- 9- ONLY PARTIES HAVING VALID GST/INCOME TAX CERTIFICATE AND ON ACTIVE TAXPAYER LIST OF FBR CAN APPLY.
- 10- DELIVERY TO BE MADE AT CATERING SECTION, PIA COMPLEX AIIAP LAHORE.
- 11- PCSIR / PSQC CERTIFICATE MUST BE ATTACHED AS TO BE SAFE & HYGENIC FOR EQUIPMENT / CROCKERY WASHING.

SINGLE STAGE – TWO ENVELOPE PROCEDURE:-

- 1- The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the **financial proposal** and the **technical proposal**; Technical proposal of prospective bidders shall be evaluated against the criteria given with these tender documents. In this respect, PIA official/s can also pay a visit to bidder/s site/office.
- 2- The envelopes shall be marked as “FINANCIAL PROPOSAL” and TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;
- 3- Initially, only the envelope marked “TECHNICAL PROPOSAL “shall be opened;
- 4- The envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of PIA without being opened;
- 5- The technical proposals shall be evaluated against the laid down criteria given and part of these tender documents. And may reject any proposal/s which does not conform to the specified requirements mentioned in said document
- 6- During the technical evaluation no amendments in the technical proposal shall be permitted;
- 7- The financial proposals of bids shall be opened publically at a time, date and venue announced and communicated to the bidders in advance;
- 8- After the evaluation and approval of the technical proposal, the financial proposals of the technically accepted bids only shall be opened. The financial proposal of bids found technically non responsive shall be returned un-opened to the respective bidders; and
- 9- The bid found to be the lowest evaluated bid shall be accepted.

(To be submitted on Rs. 100 Stamp Paper)

Manager Procurement & Logistics
Procurement & Logistics Section
Pakistan International Airlines
Lahore.

Subject: **UNDERTAKING TO EXECUTE CONTRACT**

Dear Sir,

1. We / I, the undersigned tenderer do here by confirm, agree and undertake to do following in the event our / my tender for _____, is approved and accepted:-
2. That we / I will enter into and execute the formal contract, a copy of which has been supplied to us / me, receipt whereof is hereby acknowledged and which has been studied and understood by me / us without any change, amendment, revision or addition thereto, within a period of seven days when required by PIA to do so.
3. That all expenses 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 PIA 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 PIA the Earnest Money held by PIA shall stand forfeited and we / I shall not question the same.

Tenderer's Signature _____

Name in Full _____

Designation _____

Address: _____

Phone / Fax # _____

N.I.C. # _____

Seal _____

Date _____

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.

TECHNICAL EVALUATION CRITERIA

Total Marks Allocated – 100

Minimum Qualifying Marks – 70

S/N	Technical Evaluation Criteria Details	Marks Allocated	Marks Obtained
01	Company Incorporation Status i.e. Manufacturer / Authorized distributors / Importers	10 marks	
	Manufacturer / Importer	10	
	Authorized Distributors/General order supplier	07	
02	Company Experience	15	
	More than 10 years	15	
	Less than 10 years but more than 5 years	10	
	Less than 05 years of experience	05	
03	Clientele & Turnover	15	
	Turnover more than 05 Million PKR per year	15	
	Less than 05 Million PKR per year but more than 02 Million	10	
	Less than 02 Million PKR of Turnover per year	05	
04	PCSIR / PSQC Certificate (must be attached)	20	
05	Litigation History	20	
	Having no litigation record	20	
	Having two or less pending court cases	10	
	Having more than 02 pending court cases	05	
06	Personnel Experience	20	
	Having more than 03 technical personnel	20	
	Having less than 03 technical personnel	15	

REF: LHE/FSD/Dish.Wash & Chlorine/23**DRAFT AGREEMENT**

THIS AGREEMENT is made on _____ between PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED, a corporation existing and operating under Pakistan International Airlines Corporation Conversion Act 2016 (PIACL Act 2016), having its Head Office at Karachi Airport, Karachi (hereinafter called “P.I.A.C.L”) of the one part and M/s _____ having its registered office at _____ (hereinafter called the “The supplier”) of the other part.

WHEREAS, the PIAC required supply of _____ products.

And whereas Supplier has offered the provisioning of material as precisely described in the attached “Schedule I” thereof for each item in required quantity and quality and whereas the supplier has represented to and assured PIAC that it has capability to supply the material desired / required by PIAC, and whereas PIAC has accepted the offer extended by the supplier upon terms and conditions set herein below:

NOW THIS DEED WITNESSTH AS UNDER:

ARTICLE – 1: TERMS OF THE AGREEMENT

This agreement is valid for one year effective from _____ and remains valid till _____, unless sooner terminated under the provision of this Agreement. The first term agreement is also extendable by PIA, if deemed necessary, for another 02 terms on the same rates, terms and conditions with mutual consent & subject to satisfactory performance of the contractor.

ARTICLE – 2: TERMINATION OF THE AGREEMENT

Notwithstanding anything contained in this Agreement, each party shall have the right to terminate the Agreement at any time at its option upon giving 90 days written notice to the other party with assigning any reason or cause thereof. However, PIA shall have the right to terminate contract by serving a Notice of 15 days in case of non-compliance of any of the agreed terms by the Contractor.

ARTICLE – 3: PRICES

PIAC agrees to accept the material / services as per agreed rates described in the annexed Schedule(s). These rates shall include Sales, Tax, Delivery Charges and any other charges / taxes required to be paid on any material supplied or services performed under this Agreement and shall remain firm and final for the duration of this Agreement which shall not be enhanced by the supplier on any account whatsoever. However, on provision by the supplier of all related Govt. notification and the support of their applicability on him or products in writing, all taxes/levies such as Sales Tax, Octroi or taxes under any name levied on the product by the Federal, Provisional or Local governments, or added to the existing taxes after the prices quoted will be added to the quoted prices and applied accordingly to the bills/invoices. Similarly, benefit of all Federal Provincial or Local government taxes, withdrawn from the existing taxes, after the price quoted in the tender will be passed on to PIAC by subtracting them from the bills / invoices.

ARTICLE – 4: PAYMENT

Payment in respect of supply shall be made by Finance Manager PIA Lahore within 30 days of the submission of the pre-receipted / certified bills along with prescribed Sales Tax invoices and other proof of payment of taxes in case of taxable goods, which are to be drawn strictly in conformity with the orders placed by the concerned department under this Agreement. The payment(s) shall be made to the supplier

after deduction of all required Government taxes or fees levied by any Federal / Provincial Government or its authorities.

ARTICLE – 5: SECURITY DEPOSIT / EARNEST MONEY

The supplier may provide a Pay Order in the name of Pakistan International Airlines equivalent to 5% of the bid value amount in lieu of cash at his sole discretion. However, upon successful completion of the contract and not further extended, the bank guarantee will be returned within 90 days. PIAC shall always have lien to this deposit to recover any amount in case the Supplier fails to comply with any or all provisions of this Agreement or any other extension thereof. PIAC shall have the right to recover / adjust all liabilities of the supplier from the amount deposited or bank guarantee furnished by the supplier.

ARTICLE – 6: RECOVERIES

When any amount is recoverable from the Supplier due to risk purchase or any other default under this Agreement, then PIAC shall intimate the same to the supplier with supporting reasons and evidence. The supplier shall have a right to review such claim and extend it reservations or acceptance within 15 days of receipt of such intimation. In the event of acceptance PIAC shall be entitled to deduct such amount from the pending bills of the Supplier.

ARTICLE – 7: MODE OF SUPPLY

- a) Supply is to be made on As & When Required basis. The requirement will be provided in advance and time of delivery of material, as specified on the PIAC Catering LHE Purchase Orders / Release Vouchers. These requirements shall be in line with the Monthly projections of PIAC referred in Article 9.
- b) The supplier's employee/s bringing deliveries will bring, without fail, copies of delivery challans along with the supplies to fulfill documents / check formalities.
- c) Products from the suppliers delivery vehicle shall be offloaded within two hours of arrival of the vehicle at the Purchaser's specified location and shall not be detained beyond two hours. In the event the products are not offloaded within two hours then the supplier shall have the right to return without off loading the products and such non-delivery will not be considered default at part of the Supplier.

ARTICLE – 8: HYGIENIC STANDARD

- a) The items supplied shall be in conformity with the quality standards laid down in "Schedule ____" in respect of physical specifications and "Schedule ____" (if any) in respect of microbiological specifications for each product. In the event of non conformity the relevant batch of supplies shall be replaced by the supplier at its own cost. The samples for testing standards specified herein will be taken promptly at the time of arrival of supplies; sealed samples will be retained both by PIAC and the Supplier for submitting to an expert laboratory for microbial specifications.
- b) Material is to be brought in clean and hygienically fit crates / cartons covering as per defined guidelines to be handed over to the Supplier.
- c) The supplier's employees entering PIAC Flight Kitchen Building for delivery of fresh supplies would be in clean uniform / clothes as per defined guidelines to be handed over to the Supplier.

- d) In case of non compliance of any of above conditions the supplier shall be notified in writing specifying the deficiency. In case the deficiency is not rectified within 15 days of notification a fine up to 5% of supplies value shall be imposed and intimated to the supplier and the same will be deducted from the Supplier's bills.

ARTICLE – 9: DELIVERY

TIME IS THE ESSENCE OF THIS AGREEMENT. All deliveries shall be completed as specified in the mode of supply described herein below or the delivery schedule given in the purchase order / requisitions, which however, will be in conformity with Article 7. Unless otherwise agreed, delivery of the material under this agreement shall be made at PIAC Catering, situated at PIA Complex, AIIAP Lahore. PIAC shall give monthly projections of requirement for each item to the supplier 30 days before start of the month. Should then supplier fail to deliver any supplies within the stipulated time as mentioned in the delivery schedule or any extension thereof, PIAC shall be entitled at its sole discretion to purchase from elsewhere such supplies at the risk and expenses of the Supplier as provided herein below:

- a) That in case of any delay in delivery beyond 24 hours of the delivery schedule by the Supplier, Manager SCM LHE or OIC Sub-store Catering shall have the right to carry out risk purchase underwritten intimation to the supplier.
- b) If the Supplier fails to supply less than 75% of an ordered quantity of the delivery schedule, PIAC have the right to carry out Risk Purchase underwritten intimation to the supplier.
- c) In order to avoid risk purchase situation on account of reasons given in (a) and (b) above, PIAC will maintain a stock of three days for contingencies; and in case of unavoidable situation PIAC may exercise the right of risk purchase and will take necessary steps diligently to obtain fair price as prevalent in the market.
- d) In case action is taken as mentioned above, the Supplier shall be liable and accounted for any reasonable price difference which may result out of such transaction.
- e) As soon as it is apparent that the delivery schedule cannot be adhered to the Supplier shall request PIAC for the extension of delivery period, 24 hours before the expiry of time of delivery schedule. PIAC may allow such additional time if it consider that the reason of delay is justified and not detrimental to its interest.
- f) The annual quantities mentioned in the annexed schedule(s) may increase / decrease up to 15% according to the requirement of the PIAC and the Supplier agrees to supply the same accordingly. There will be no compensation for decreased quantity.
- g) Supply is to be made strictly as per specifications given in the Purchase Order(s). The employees of the Supplier bringing deliveries will deliver the same along with copies of delivery challans to fulfill the checking formalities.

ARTICLE – 10: TEST REPORT

It is hereby agreed that the supplier will provide a chemical test report about the item delivered to PIAC every six months for HACCP record.

ARTICLE – 11: INSPECTION

- a) All supplies shall strictly conform to specification. In the event of non conformity, inspection will be carried out by the authorized representatives of PIAC and the supplier jointly, in reference to the batch numbers, production date, delivery dates, storage condition etc.
- b) If as a result of testing or checking, any supplied items / article is found to be of substandard quality and / or not in accordance with the specification because of the reasons solely attributable to the supplier, PIAC shall have the right to reject the same. PIAC will then allow the Supplier to replace the supplied material within 24 hours without extra cost to PIAC. In the event the Supplier fails to replace the quantity, PIAC may buy the quantity of supply so rejected from elsewhere at the risk and cost of Supplier, underwritten intimation to the Supplier. Purchases thus made may exceed the contracted rates but shall be reasonable.
- c) Verdict regarding rejection, acceptance and / or deviation of supplies delivered as confirmed by the joint committee of authorized representatives of PIAC and the supplier shall be binding on the parties. However, if the Supplier desires to appeal against the decision of such rejection, he may appeal to District Manager PIA LHE within 7 days of the cause of disagreement and if the appeal is so preferred, the decision of Director Procurement and Logistics, PIAC shall be final and binding on the Supplier.
- d) All the above said liabilities of the Supplier are without prejudice to its other present / future liabilities arising from this Agreement whether due to performance and / or non-performance of its contractual obligation(s) or otherwise.

ARTICLE 12: INDEMNITY

The Supplier undertakes and agrees to indemnify and hold harmless PIAC, 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 Agreement whether due to performance / non-performance of any services under this Agreement by the Supplier, its employees or its agents or otherwise. In any case, the obligation on the part of the Supplier 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 Supplier.

ARTICLE 13: INSOLVENCY AND BREACH OF CONTRACT

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

ARTICLE – 14: SCHEDULE

For all intents and purposes, the schedule(s) annexed herewith shall form an integral part of this Agreement and the Supplier 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 violation of this Agreement on the part of the supplier.

ARTICLE – 15: FORCE MAJEURE

Except as provided under this Agreement neither party shall be liable for any failure or delay in performing their obligation(s) due to any cause beyond its reasonable control including without limitation, fire, act of public enemy, war, rebellion, insurrection, accident, disease outbreak in live chicken, road blockages of VIP movement etc, act of God, act of state or of the judiciary.

ARTICLE – 16: BRIBE

Any bribe, commission, gifts or advantages given, promised or defrayed by or behalf of the Supplier or his Partner, Agent or Servant or anyone on its behalf to any Officer, Servant, Representative or Agent or PIAC, for showing or for bearing to show favor of disfavor to any person in relation to his or any other agreement as aforesaid shall subject the Supplier to the cancellation of this and all or any other contract and also to the payment of amount to be decided by District Manager, PIAC LHE as damages and the decision of the said District Manager in this respect shall be final and binding on the supplier.

ARTICLE – 17: INTEGRITY PACT / DISCLOSURE CLAUSE

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.

ARTICLE – 18: ASSIGNMENT AND EXCLUSIVITY

The Supplier Shall not sublet, transfer or assign this Agreement to any other party without prior written Permission of PIAC.

If the supplier assigns this Agreement to any other party wholly or partly in contravention of this Article, PIAC in its discretion may terminate this Agreement and / or black list the debar the Contractor for future to execute any contract with PIAC.

ARTICLE – 19: WAIVER

The Failure either party at any time to require the performance by other of any of the terms and provisions hereof shall in no way effect the right of that party thereafter to enforce 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 – 20: AUTHORITY OF PERSON SIGNING AGREEMENT AND DOCUMENT

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

ARTICLE – 21: CORRESPONDANCE

The Supplier will not correspond with or approach any other authority, persons directly or indirectly, whether the staff of PIA or otherwise except the Manager SCM LHE regarding any matter arising from this or any other Agreement with PIA. The Supplier may carry on correspondence with the designated officials of the User Department i.e. DGM Catering LHE.

ARTICLE – 22: NOTICE

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

Manager SCM LHE

Supplier

PIA Complex, AIIAP LHE

e-mail: lhepppk@piac.aero**ARTICLE – 23: APPLICABLE LAW**

This Agreement shall be governed by the laws of Islamic Republic of Pakistan.

ARTICLE – 24: GOVERNING LAWS & DISPUTE RESOLUTION

- a) This agreement shall be governed and interpreted in accordance with Laws of Pakistan.
- b) The parties agree & submit themselves to exclusive Jurisdiction of the Courts at Lahore.

c) Any dispute between the parties arising out of this agreement shall not be settled other than through Arbitration Act 1940. District Manager PIAC LHE, or his nominee shall be sole arbitrator whose award shall be binding upon the parties. Notwithstanding anything in this agreement PIA may continue to utilize subject matter services of the agreement from Contractor during the pendency of the Arbitration.

ARTICLE – 25: PPRA ACT & RULES

PPRA Act & Rules shall be followed, in true letter & spirit, in the process of awarding contract.

IN WITNESS WHEREOF THE PARTIES HEREUNTO SET THEIR HANDS OF THE DAY, MONTH AND THE YEAR MENTIONED HEREINABOVE

For and on behalf of

For and on behalf of

Pakistan International Airlines Corporation

Signature & Seal _____

Signature & Seal _____

Name _____

Name _____

Designation _____

Designation _____

WITNESS 1:

WITNESS:

Signature _____

Signature _____

Name (in Block letters) _____

Name (in block letters) _____

C.N.I.C. No _____

C.N.I.C. No _____

Address _____

Address _____

WITNESS 2: _____

WITNESS 2: _____
