REF: GMCM/LEASE ENGINES/CFM56-5B4/P OR CFM56-5B4/3/2021/01

M/S: _____

_____

_____

SUB: **Lease of 08 A320 (CFM56-5B4/P or CFM56-5B4/3) Engines**

Dear Sir / Madam,

Pakistan International Airlines (PIA) invites **"Sealed bids"** on **"Single Stage Two Envelope Basis"** from interested parties for the Lease of 08 CFM56-5B/P or CFM56-5B/3) engines. Parties can submit offer for Qty 01, 02 onwards or for all 08 lease engines depending on availability. lt is not compulsory to submit offer for all eight engines. for the items /services mentioned above . In case of more than one schedule, a separate tender for each schedule should be furnished. The terms and conditions of the tender / services are given below;

A) SUBMISSION OF TENDER

1. You are required to send your tenders addressed to General Manager Contract Management, PIA Supply Chain Management, JIAP Karachi latest by **31-01-2022 (10:30 Hrs PST).** The tender may e 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 (PST)** on the specified date. You may also send your tender through registered A/D mail addressed to General Manager Contract Management, which must reach before the closing date and time mentioned above. Tenders will be opened at **11:00 hours (PST)** the same day in the presence of tenders.

2. Proposals received after stipulated date and 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).**

4. Tenders / Proposals received shall be evaluated in accordance with the given criteria/ requirements.

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

5. Lease Term

Lease Term will be 11 months, extendable upon mutual consent.

.

Yours truly,

Iftikhar M. Usmani
GM Contract Management
Supply Chain Management
PIA Head Office, Karachi.
Ph: 021 9904 3158, 9904 4101
Email: gm.cm@piac.aero,
contract.tech@piac.aero

BIDDING DOCUMENT

FOR

Lease of 08 A320 (CFM56-5B4/P or CFM56-5B4/3) Engines

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Preamble

This document is divided into four sections.

A. The first section gives interested parties an overview of process and explains in detail as to how they should submit their bids and how their bids will be evaluated by PIA.

B. The second section contains general terms which shall form the basis of the Lease agreement between PIA and the successful bidder.

C. The third section covers the specifications of PIA's requirement.

D. The fourth section provides the interested bidders with an overview of PIA's evaluation process to maintain complete transparency and criteria to determine the best suited offer.

The annexure contained thereafter are the standardized formats on which PIA expects to receive the actual offers from the interested bidders.

Section A - Instructions to Bidders

1. Scope of Bid

Pakistan International Airlines (PIA) invites **"Sealed bids"** on **"Single Stage Two Envelope Basis"** from interested parties for the Lease of 08 CFM56-5B4/P or CFM56-5B4/3) engines. Parties can submit offer for Qty 01, 02 onwards or for all 08 lease engines depending on availability. It is not compulsory to submit offer for all eight engines.

The scopes of Lease Engine required are:

- Short Term Lease of 08 CFM56-5B4/P or CFM56-5B4/3 engines
- Lease Terms will be as per IATA Standard Agreement

The Bidders are invited to submit a Technical Proposal and a Financial/Commercial proposal for each lease engine required as per the requirements detailed in the bidding documents.

By submitting a Proposal, the Bidder agrees to be legally bound by the terms and conditions set out in this Bidding Document. The Proposal will be considered as a binding offer from the Bidder subject to acceptance by PIA.

2. Parties qualified to apply

OEM's /Airlines /MRO's / Operators / Leasing Companies etc. having legal right to offer the lease of engines to other Airlines.

3. Cost of Bidding

The bidder shall bear all costs associated with the preparation and submission of its bid and PIA will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

4. Bidding Documents

For the purpose of this bidding process, the term "Bidding Documents" shall include:

i. Invitation for Bids
ii. Instructions to Bidders
iii. General Conditions of Contract
iv. Special Conditions of Contract
v. Evaluation of Bids
vi. Annexure
   a) Specifications & Technical Proposal and details required (Annex 'I')
   b) Form of Bid (Annex 'II')
   c) Integrity Pact (Annex 'III')
   d) Financial Proposal (Annex 'IV')

The bidders are expected to examine all the above, prior to submission of their bids.

The 'Instructions to Bidders' will not be part of Contract and will cease to have effect once the Contract is signed.

5. Clarification on Bidding Documents

A prospective bidder requiring any clarification(s) in respect of the Bidding Document shall notify PIA in writing. PIA will respond to any request for clarification which it receives earlier than **five (5) days prior to the deadline** for the submission of bid. For clarification on bidding document please email to rotplng@piac.aero, piaplng@piac.aero, dcetseppoh@piac.aero and dceplngeoh@piac.aero.

6. Amendment to Bidding Document

At any time prior to the deadline for submission of bid, PIA may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the tender document by issuing addendum(s).

7. Extension in Submission Dates

At any time prior to the deadline for submission of bid, PIA may, for any reason, whether at its own initiative or to provide prospective bidders reasonable time, in which to take an addendum into account, at its discretion extend the deadline for submission of bids.

8. Submission of Bid

Interested bidders will have to submit their offer in sealed envelopes either in person or through courier. The offer should be clearly marked as **"Bid for Lease of 08 CFM56-5B4/P or CFM56-5B4/3 engines for PIA A320 aircraft"**. Only Hard Copies of Bids will be accepted. Electronic submission via email etc. is not allowed. Parties can submit offer for Qty 01, 02 onwards or for all 08 lease engines depending on availability. It is not compulsory to submit offer for all eight engines.

9. Tender Proceedings

Single stage – Two envelope procedure.-

Each bid shall comprise Two sealed envelope. All bids received shall be opened and evaluated in the manner prescribed in the bidding document.

Bidders will be required to submit following two proposals.

- Technical Proposal
- Financial/Commercial Proposal

i) **Technical Proposal:** Technical Proposal shall comprise of the following along with the covering letter on the official letter pad of the bidder;

a) Bidder Profile: A brief company profile highlighting portfolios and customer details. State company profile and experience in managing technical Handling of Aircraft.

b) Technical Information: The information of offered Engines as per the Annex 'I'. In case the bidder wishes to include additional technical information separate sheets may be added.

c) Form of Bid: Duly completed and signed by the bidder as per format provided in Annex 'II'. No alteration is to be made in the Form of Bid except in filling up the blanks.

d) Integrity Pact: The bidder shall sign and stamp the Form of Integrity Pact provided at 'Annex – III' which is a mandatory requirement of Government of Pakistan.

e) Support Package: Additional Support Package, Mini Pack link etc. if any may be provided.

In preparing the Technical Proposal, Bidders are expected to examine the documents constituting Bidding Documents in detail. Deficiencies in providing the information requested may result in rejection of a proposal.

ii) **Financial Proposal:** The Financial proposal should be submitted in line with the requirements highlighted in the Bidding Document and as per Schedule of Prices in the format described in Annex 'IV'.

In preparing the Financial Proposal, Bidders are expected to take into account the requirements and conditions outlined in the Bidding documents. The Financial Proposal should list all costs associated with the project. Proposals must remain valid for 90 days after the submission date. PIAC will endeavor to complete discussions/clarifications within this period. However, if necessary, PIAC may require extension in the said validity period.

10. Bid Related Details:

Below information should be noted while preparing and submitting the bids.

i) Currency of Bid: All the prices provided in the bid shall be in US Dollars (US$).

ii) Bid Validity: The bid shall have to be valid for a period of 90 days from closing date of tender.

iii) Language of Bids: The bids prepared by the bidder and all correspondence and documents relating to the bid, exchanged between the bidder and PIA shall be written in the

English language. If a document is other than English language then bidder shall provide a true copy of that document in English.

iv) Format and Signing of Bids: The bidder shall prepare one set of the bid typed or written in indelible ink and shall be signed by the Authorized Representative of the bidder (who should be an employee of the bidder).

v) Sealing and Marking: Technical Proposal and Financial Proposal should be clearly marked. The envelope should bear the name and address of the sender and clearly marked as **"Bid for Lease of 08 CFM56-5B4/P or CFM56-5B4/3 engines for PIA A320 aircraft".** If the envelope is not sealed and marked, PIA will assume no responsibility for the bid's misplacement or premature opening.

11. Deadline for Submission of Bids:

Bids must be received by PIA at the following address no later than the Date and Time mentioned in the advertisements published in media. Bids will be opened the same day at the specified time.

General Manager
Contract Administration Cell
Supply Chain Management
Pakistan International Airlines
JIAP Karachi
Tel: +92 21 9904 3158, / +92 21 9904 4101
Email: contract.administration@piac.aero

12. Late Bids:

Any bid received by PIA after the bid submission deadline time, for any reason whatsoever, shall be rejected and returned to the bidder.

13. Modification and Withdrawal of Bids:

The bidder may modify or withdraw its Bid after submission, provided that written notice of the modification or withdrawal is received by PIA prior to the deadline prescribed for bid submission.

14. Opening of Bids:

Pakistan International Airlines will open the bids on the Date and Time mentioned in the advertisements published in media, in PIA Supply Chain Management Building, near PIA Head Office, Jinnah International Airport, Karachi 75200, Pakistan. Authorized representatives of the bidders can attend the bid opening.

15. Bid Read Out:

Following details shall be provided clearly by each bidder and shall be read out in front of all the participants present during the bid opening:

- Bidder's Name
- Engine Serial Numbers for which Bid is submitted.

- Daily / Monthly Rental
- Hourly and Cyclic Utilization Rate

16. Preliminary Examination of Bids:

PIA will examine the bids to determine whether they are complete and generally in order. Prior to the detailed evaluation of bids:

PIA will examine the Bids to determine whether;

i) The Bid is complete and does not deviate from the scope,

ii) Any computational errors have been made,

iii) The documents have been properly signed,

iv) The Bid is valid till required period,

v) The Bidder is eligible to Bid and possesses the requisite experience,

vi) The Bid does not deviate from basic technical requirements and

vii) The Bids are generally in order.

A bid is likely not to be considered if it is materially and substantially different from the Conditions/Specifications of the Bidding Documents.

17. Qualification:

In addition to the above, PIA will ascertain to its satisfaction whether bidders, whose bids meet the requirements of Bidding Documents, are qualified to satisfactorily perform the contract. The documentary evidence of the bidder's qualifications and ability to perform the contract if its proposal is accepted shall establish to PIAC's satisfaction.

This will take into account:

☐ Bidder's financial, technical capabilities and past performance.

☐ Documentary evidence submitted by the bidder.

☐ Other information as PIA deems necessary and appropriate.

18. Deliberations with Bidders:

☐ No bidder shall be allowed to alter or modify his bid after the bids have been opened. However the PIA may seek and accept clarifications to the bid that do not change the substance of the bid.

☐ Any request for clarification in the bid, made by PIA shall invariably be in writing. The response to such request shall also be in writing.

19. Correction in Bids

In case any arithmetic error is found in the bid, it shall be rectified as follows:

i) If there is a discrepancy between the unit price and total price or between subtotals and total price that is obtained by multiplying the unit price and quantity, the unit or subtotal price shall prevail and the total price shall be corrected.

ii) If there is a discrepancy between the words and figures the amount in words shall prevail.

iii) If the bidder does not accept the corrected amount of bid as determined above, the bid shall be rejected.

20. Evaluation of Bids

a) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents.

b) For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified by the State Bank of Pakistan on that day.

The bid for Lease of 08 CFM56-5B4/P or CFM56-5B4/3 engines will be evaluated to determine the "Lowest Evaluated Bid" as per Section 'D'.

c) Bids submitted for each engine will be evaluated separately to determine the Lowest Evaluated Bid for each engine.

21. Unsuccessful Bidders:

Bidders whose offers have been rejected on grounds of being substantially nonresponsive or those that do not meet the Requirements shall be informed accordingly.

22. Ranking of Bids:

The offered bid(s) shall be listed separately in ascending order starting from the Lowest Evaluated Bid.

23. Letter of Acceptance

The Letter of Acceptance will be issued to bidder whose offer is determined as the Lowest Evaluated Bid for the lease engine as per clause 22.

24. PIA's Right

PIA reserves the right to reject all bids and to annul the bidding process at any time prior to award of Contract. PIA upon request from bidder, who submitted a bid, shall communicate the grounds for its rejection of all bids, but is not required to justify those grounds. Notice of the rejection of all bids shall be given promptly to all the bidders.

25. Signing of Contract Agreement

The terms and conditions highlighted under "Section B - General Condition of Contract" and "Section C - Special Condition of Contract" (of this Tender Document) shall form the basis of the Lease agreement to be executed between the two parties.

Section B – General Conditions of Contract

Following terms and conditions shall be an integral part of the Lease Agreement to be signed between PIA and the successful bidder (Lessor) to whom the contract has been awarded.

1. Scope of Agreement

The "Lease Agreement" shall be for Engine Lease for PIA A320 aircraft on terms and conditions as explained in this Section B – General Conditions of Contract and Section C – Special Conditions of Contract. PIA has a fleet of 11 A320 Conventional Aircraft and the fleet is expected to grow to 14 aircraft next year.

2. Governing Law

Governing Law of the Lease Agreement shall be agreed mutually between PIA and the Service Provider. However, it should not be in conflict with the laws of Pakistan. PIA prefers Laws of England and UK Courts of London for arbitration.

3. Disputes

Any dispute shall be resolved by reference to arbitration under such forum as may be agreed between the parties.

4. Civil Aviation Authority Requirements

Lessor must comply with the requirements of Pakistan Civil Aviation Authority (PCAA) if any. PIA shall ensure that all PCAA and other relevant regulatory requirements are followed in the operation of the Aircrafts.

5. Payment Terms

i) Currency of Payment: throughout the term of contract, all the payments between the two parties shall be in US Dollars.

ii) Invoice: The invoice will be on net 30 days basis. Exception is for Security Deposit and Advance Rental for the first month.

6. Taxes

Where a Tax Avoidance Agreement (Double Taxation Treaty) exists between the respective countries of PIA and the service provider; and the PIA is obliged by law to deduct taxes against payments to the Lessor, the PIA will bear the tax incidence and shall make gross payments to the Lessor, without any deduction of tax chargeable in Pakistan. However, the lessor undertakes to pass on the benefit of tax credit obtained under the relevant clauses of the tax treaty to the PIA, after filing of income tax return in its country, on the basis of proof of taxes paid by the PIA on behalf of lessor in Pakistan.

In the absence of such tax treaty, the PIA will bear the tax incidence and shall make gross payments to the lessor, without any deduction of tax chargeable in Pakistan, however, if the local laws of the lessor country allows the foreign tax credit that is withheld by PIA then the lessor undertakes to pass on the benefit of said tax credit obtained under the relevant clauses of the local laws to the PIA, after filing of income tax return in its country, on the basis of proof of taxes paid by the PIA on behalf of service provider in Pakistan.
All other taxes, duties, levies and imposts arising from or relating to such payments outside Pakistan shall be borne by the service provider.

7. Insurance

The PIA will maintain third party liability and property damage insurance, Hull insurance of agreed value and "All Risks" and "War Risks" insurance of the same type and covering the same risks as insurance customarily carried by international scheduled service providers.

8. Exit Clause

Both parties shall agree to exit condition based on notice period of 60 days without giving any particular reason.

9. Integrity Pact

The Agreement shall contain a covenant and confirmation by the lessor that it has not obtained and/or induced the procurement of the Engine Lease through any corrupt business practices. The wordings of this clause are given at Annex 'III'.

10. Notices

All the notices during the Agreement term to be exchanged between PIA and Lessor shall be in writing and sent by courier, fax or email.

11. Indemnities

The Agreement shall have appropriate coverage to provide indemnity for PIA and Lessor as per the normal aviation practice.

12. Force Majeure

Both parties shall agree to appropriate incidents to define Force Majeure and its implications on the performance of the Agreement by either party.

Section C – Special Conditions of Contract

The Engine Lease Agreement between PIA and the lessor will be based on the following special conditions of the Agreement.

1. Agreement

Agreement will be in accordance with IATA Master Short Term agreement.

2. Lease Term

Lease Term will be 11 months initially.

3. Extension of Term

PIA will have the option to extend the lease agreement at the end of the Term with information notice in advance for a period as mutually agreed between lessee and lessor.

4. Note for Bid Validity

The Bid Validity is 90 days. However, keeping in view of market conditions, it will not be a binding on the parties to hold their assets. Parties are requested to communicate if their offered engine is being sold / leased to other parties. PIA will make its best endeavors to finalize the evaluation, select the engines for lease and enter into agreement at the earliest possible timeframe.

Section D – Evaluation of Bids

In order to ensure that the bidding process is conducted in fair and transparent manner, following Evaluation Criteria will be followed to determine the best suitable service provider for PIA in efficient and economical manner:

1. Technical Evaluation Criteria

Following Criteria will be used for Technical Evaluation. Separate Sheet may be filled /marked for each offered Engine. The marking should be according to data provided in Minipack/details of the record. The actual Minipack / Record data will be considered as final for evaluation:

ENGINE SERIAL NUMBER _____, SUBMITTED BY (Name of Bidder/lessor) _____

1) EGT (Margin): Weightage 30%. Grading will be done based on Minipack / Data provided

EGTM ≥70 Deg C	EGTM ≥ 60 Deg C	EGTM ≥ 50 Deg C	EGTM ≥ 40 Deg C	EGTM ≥ 30 Deg C	EGTM ≥ 20 Deg C	EGTM < 20 Deg C
10	09	08	06	04	02	01

2) Time Since Last Shop Visit; (Full Overhaul): Weightage 15%. Grading will be done based on Minipack / Data provided. Note: First Run engines will be graded separately.

TSLSV ≤ 1000 Hrs	TSLSV ≤ 2000 Hrs	TSLSV ≤ 3000 Hrs	TSLSV ≤ 4000 Hrs	TSLSV ≤ 5000 Hrs	TSLSV ≤ 6000 Hrs	TSLSV ≤ 7000 Hrs	TSLSV > 7000 Hrs
10	8	6	5	4	3	2	1

3) Cycles Since Last Shop Visit: (Full Overhaul): Weightage 15%. Grading will be done based on Minipack / Data provided. Note: First Run engines will be graded separately.

CSLSV ≤ 1000 Cycles	CSLSV ≤ 1500 Cycles	CSLSV ≤ 2000 Cycles	CSLSV ≤ 2500 Cycles	CSLSV ≤ 3000 Cycles	CSLSV ≤ 3500 Cycles	CSLSV ≤ 4000 Cycles	CSLSV > 4000 Cycles
10	8	6	5	4	3	2	1

4) Engine Release Info. Weightage 15%. As per OEM WSPG.

New	Full Overhaul	Performance Restoration	Hot Section OH	Repaired	Inspected/Tested
10	8	7	5	3	2

5) BSI Observations: Weightage 15%.

Nil Observation	Number of Observation ≤ 2	Number of Observation ≤ 5	Number of Observation ≤ 8	Engine with restriction
10	8	6	2	1

6) LLP First Limiter Remaining Life: Weightage 5%.

Remaining ≥ 6000 cycles	Remaining ≥ 4500 cycles	Remaining ≥ 3000 cycles	Remaining ≥ 2000 cycles	Remaining ≤ 2000 cycles
10	8	6	4	2

7) Compliance of SB SB75-0045, 72-0906, 72-0553, RA 32071-164: Weightage 5%.

Complied	Major Complied	Partially complied	Not Complied
10	7	4	1

2. Methodology for Assessing Lowest Evaluated Bid

• Subject to the condition above, the valuation firm obtaining at least 30% marks shall be further evaluated.

Financial Evaluation Criteria: As per Annex IV

• After opening the financial offers as mentioned earlier, the valuation of firms shall be assessed as per the below mentioned criteria:

Overall Evaluation: Technical evaluation will have a weightage of **50%** in total scoring, whereas, financial evaluation will also have a weightage of **50%**. Total Score will be judged on the basis of aggregate scores on both technical and financial scores.

ANNEXURE 'I'

General Information and Assumptions

FLEET INFORMATION:

PIA is the National Airline of Pakistan. It has a fleet of 38 aircrafts. PIA fleet comprise of

1. B777 fitted with GE90-94B / GE90-115 engines,
2. A320 fitted with CFM56-5B4/P or CFM56-5B4/3 engines,
3. ATR 42 /72 fitted with PW127

Qty 08, Cfm56-5B4/3 or Cfm56-5B4/P Lease Engines are required and leased engines will be installed on any of PIA A320-214 aircraft according to the operational requirement. PIA mainly operates domestic and Middle-east regions.

Qty 08 Lease Engines will be selected from all available offers as per criteria.

Thrust Rating = 27000 Lbs.

Preservation = Must be preserved as per AMM Instructions

Must have EASA or FAA or Dual Release for installation on aircraft.

Our A320 hour to cycle ratio is approx. 2.0

ESN and minipack comprising engine details need to be submitted on the following emails:

rotplng@piac.aero, piaplng@piac.aero, dcetseppoh@piac.aero and dceplngeoh@piac.aero.

ANNEXURE 'II'

Form of Bid

Date: _____
Ref:
To: Chief Technical Officer
Pakistan International Airlines

Dear Sir,

Having examined the Bidding Documents, we, the undersigned, offer proposal for lease of QTY 08 A320-214 engines for PIA Aircraft under the tender reference Lease of A320 (CFM56-5B4/P or CFM56-5B4/3) Engines in full conformity with the said Bidding Documents against the terms and conditions mentioned in the Technical Proposal 'Annex-I' and Financial Proposal 'Annex – IV'.

We undertake, if invited to do so by you, and at our own cost, to attend a clarification meeting at a place of your choice.

We agree to abide by this Bid, for a period of 90 days from the date fixed for submission of bids as stipulated in the Bidding Documents, and together with the above written undertakings, it shall remain binding on us.

Until a formal agreement is prepared and executed between us, this bid, together with your written acceptance thereof and your notification of award shall constitute a binding contract between us.
We understand that you are not bound to accept the lowest or any bid you may receive.

_____
Signature of Authorized Person

Name: _____

Position: _____

Official Seal

Dated this day of, 21

Annex - III

Integrity Pact

[Name of Lessor] hereby declares its intention not to obtain or induce the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the foregoing, [Name of Lessor] 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, Representative, 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 GoP, except that which has been expressly declared pursuant hereto.

[Name of Lessor] 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 GoP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[Name of Lessor] 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 GoP under any law, contract or other instrument, be voidable at the option of GoP.

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

_____

Signature of the Lessor
(Name, Title and Address)
(Official Seal)

ANNEXURE 'IV'

Financial Proposal

Please provide your offer with following information. **All rates must be inclusive of all taxes, charges, duties, expenses and terms as requested in bidding documents.**

1. The Proposals / Offer should include the following

Following table is to be filled and submitted as the part of financial offer. Separate Sheet may be filled /marked for each offered Engine.

ENGINE SERIAL NUMBER _____, SUBMITTED BY (Name of Bidder/lessor) _____

SN	Criteria		Rate (to be filled in)
01	Daily Rental		
02	Use Fee Rate (Hourly)	For: 1.6 ≤ Hrs/Cycle Ratio < 1.8 (weightage 10)	
		For: 1.8 ≤ Hrs/Cycle Ratio < 2.0 (weightage 45)	
		For: 2.0 ≤ Hrs/Cycle Ratio < 2.2 (weightage 35)	
		For: 2.2 ≤ Hrs/Cycle Ratio < 2.4 (weightage 10)	
03	Use Fee Rate (Cyclic)		
04	Security Deposit		
05	Delivery (Pickup) Location: Please tick USA / Europe / Far East / Others please specify: _____ (PIA Logistics will estimate rates for this arrangement)		PIA will estimate transportation charges based on location
06	Re-delivery location: Please tick USA / Europe / Far East / Others please specify: _____ (PIA Logistics will estimate rates for this arrangement)		
07	Any other financial requirement (please specify)		

Note: Total Financial Impact of Lease of 11 months will be compared. This will be done by totalling daily rental for the lease period and adding hourly and Cyclic Charges based on PIA's average utilization of A320's in operation. The impact of transportation on actual basis as per PIA experience and the Security Deposit impact will also be included using Market rates of lease financing.

2. Lease Term

Lease Term will be 11 months, extendable upon mutual consent.

3. Rate Revision Provisions and Escalation, if any

The offered rates will remain fixed for 11 months of lease period.

4. Price Level

All prices offered shall be price level 2022.

5. Invoicing Mechanism

Except for Security Deposit and First Month Advance Rental; all other Monthly Invoices Payable on Net 30 basis as per PIA Policy.