

PUBLIC PROCUREMENT REGULATORY
AUTHORITY (PPRA)

CONTRACT AWARD PROFORMA – I

To Be Filled And Uploaded on PPRA Website In Respect of All
Public Contracts of Works, Services and Goods

- NAME OF THE ORGANIZATION/DEPTT: **Zarai Taraqiati Bank Limited**
- FEDERAL / PROVINCIAL GOVT: **Federal**
- TITLE OF CONTRACT: **Appointment of IFRS-9 Consultant**
- TENDER NUMBER: **ZTBL-20-2024-2**
- BRIEF DESCRIPTION OF CONTRACT: **Implementation of International Financial Reporting Standard 9 (IFRS-9) which is a regulatory requirement as per State Bank of Pakistan (SBP) BPRD Circular Letter Number 16 dated 29.07.2024.**

- TENDER VALUE: **M/s KPMG Taseer Hadi & Co. – PKR 17,400,000.00 (incl. tax)**

- ENGINEER'S ESTIMATE: **N/A**
(for civil Works only)

- ESTIMATED COMPLETION PERIOD: **12 months**
- WHETHER THE PROCUREMENT WAS INCLUDED IN ANNUAL PROCUREMENT PLAN? **✓Yes / No**

- ADVERTISEMENT:
 - (i) PPRA Website: **PPRA'S Reference No:TS549769E Dated 23.10.2024**
(Federal Agencies) (If yes give date and PPRA's tender number) **✓Yes/ No**

 - (ii) News Papers: **Express & The News,**
Date: 10.10.2024
(If yes give names of newspapers and dates) **✓Yes/ No**

- TENDER OPENED ON (DATE & TIME): **29.10.2024 at 11:30 AM**

- NATURE OF PURCHASE: ✓Local / International
- EXTENSION IN DUE DATE (If any): Yes /✓No
- NUMBER OF TENDER DOCUMENTS SOLD: The tender was published on PPRA EPAD System. Bidders have downloaded the bid documents from PPRA EPAD System free of cost.
- WHETHER QUALIFICATION CRITERIA WAS INCLUDED IN BIDDING/TENDER DOCUMENTS: ✓Yes / No
(If yes enclose a copy).
- WHETHER BID EVALUATION CRITERIA WAS INCLUDED IN BIDDING/TENDER DOCUMENTS: ✓Yes / No
(If yes enclose a copy).
- WHICH METHOD OF PROCUREMENT WAS USED: - (Tick one)
- a) SINGLE STAGE – ONE ENVELOPE PROCEDURE _____
- b) SINGLE STAGE - TWO ENVELOPE PROCEDURE. _____ ✓
- c) TWO STAGE BIDDING PROCEDURE. _____
- d) TWO STAGE – TWO ENVELOPE BIDDING PROCEDURE____
- PLEASE SPECIFY IF ANY OTHER METHOD OF PROCUREMENT WAS ADOPTED WITH BRIEF REASONS (i.e EMERGENCY, DIRECT CONTRACTING, NEGOTIATED TENDERING ETC.)
- WHO IS THE APPROVING AUTHORITY: Administrative & Financial approval accorded by President/CEO ZTBL
- WHETHER APPROVAL OF COMPETENT AUTHORITY WAS OBTAINED FOR USING A METHOD OTHER THAN OPEN COMPETITIVE BIDDING: N/A
- NUMBER OF BIDS RECEIVED: 03
- WHETHER THE SUCCESSFUL BIDDER WAS LOWEST BIDDER: ✓Yes / No
- WHETHER INTEGRITY PACT WAS SIGNED: ✓Yes / No

**PUBLIC PROCUREMENT REGULATORY
AUTHORITY (PPRA)**

CONTRACT AWARD PROFORMA – II

**To Be Filled And Uploaded on PPRA Website In Respect of All
Public Contracts of Works, Services & Goods**

- NUMBER OF BIDDERS PRESENT AT THE TIME OF OPENING OF BIDS: **02**
- NAME AND ADDRESS OF THE SUCCESSFUL BIDDER:
 - **M/s KPMG Taseer Hadi & Co, 6th Floor, State Life Building No. 5, Jinnah Avenue,
Blue Area, Islamabad.**
- RANKING OF SUCCESSFUL BIDDER IN EVALUATION REPORT
(i.e. 1st, 2nd, 3rd EVALUATED BID): **1st Lowest Evaluated Bidder**
- NEED ANALYSIS (Why the procurement was necessary?): **Implementation of
International Financial Reporting Standard 9 (IFRS-9) which is a regulatory
requirement as per State Bank of Pakistan (SBP) BPRD Circular Letter Number
16 dated 29.07.2024.**
- IN CASE EXTENSION WAS MADE IN RESPONSE TIME, WHAT WERE THE
REASONS (Briefly describe)
- WHETHER NAMES OF THE BIDDERS AND THEIR PRICES WERE READ OUT AT
THE TIME OF OPENING OF BIDS: **✓Yes / No**
- DATE OF CONTRACT SIGNING: **03.02.2025**
(Attach a copy of agreement)
- CONTRACT AWARD PRICE: **M/s KPMG Taseer Hadi & Co. – PKR 17,400,000.00
(incl. tax)**
- WHETHER COPY OF EVALUATION REPORT GIVEN TO ALL
BIDDERS: **✓Yes / No**

(Attach copy of the bid evaluation report)

- | | |
|---|----------------------|
| ➤ ANY COMPLAINTS RECEIVED:
(If yes result thereof) | <div>Yes / ✓No</div> |
| ➤ ANY DEVIATION FROM SPECIFICATIONS GIVEN
IN THE TENDER NOTICE/DOCUMENTS:
(If yes give details) | <div>Yes / ✓No</div> |
| ➤ DEVIATION FROM QUALIFICATION CRITERIA:
(If yes give details) | <div>Yes / ✓No</div> |
| ➤ SPECIAL CONDITIONS, IF Any: <u>Nil</u> | |

Prequalification Criteria(Mandatory):

The following pre-qualification criteria are Mandatory for all participating firms. Only those firms will be considered for technical and later on for financial evaluations that have fulfilled the conditions mentioned in the pre-qualification criteria.

S#	Condition	Requirement/ Document to be attached
1.	Power of Attorney/Authorization on stamp paper	Affidavit on stamp paper
2.	The bidding firm must be registered /incorporated in Pakistan with relevant authorities and have existence for at least 05 years since date of registration and as on "Deadline for Submission of Bids".	Copy of Certificate of incorporation / registration in Pakistan.
3.	"A" rated audit firms of chartered accountants (as per latest SBP panel of auditors)	Attach proof
4.	The bidding firm must be Satisfactory QCR Rating as per latest list issued by ICAP.	Latest satisfactory QCR rating issued by ICAP.
5.	Past Experience	The bidder must have provided IFRS-9 related services in Pakistan to at-least one major bank (*) during last five years. Attached Proofs for engagement of services
6.	Bid Validity is 120 Days	Clearly mention in the Bid
7.	Bid Security	The soft copy of the bid security shall be submitted through EPADS and original bid security shall be submitted to ZTBL before given deadlines.
8.	Income tax (NTN)/STRN Certificate and active tax paper status.	Valid Income Tax (NTN)/STRN Certificate with FBR Active Tax Payer Status printout
9.	Affidavit for not being blacklisted, no conflict of interest of the bidding firm and the bidding firm or its partners have no conflict or legal dispute which can affect the desired services.	Affidavit that the firm is not blacklisted by the Government or Semi Government or Autonomous Organization on non-judicial stamp paper. (Sample at TECH-08)

* Note: Major Bank includes Public Sector bank, Private Sector Bank, Specialized bank, Foreign bank, Microfinance bank as defined by the State Bank of Pakistan.

Criteria, sub-criteria, and point system for the evaluation of the Full Technical Proposals. (Marks will be assigned on proportionate basis) from participating bidders)

Sr. No.	Evaluation Parameter	Scoring Criteria
1	Firm's experience for providing IFRS-9 related services to major banks (*) in Pakistan during last five years. (Max Score = 60)	20 score per Public Sector bank, Private Sector Bank, Specialized bank, Foreign bank, 10 score per Microfinance bank having Agri. Exposure. <i>Multiple projects with same client will be counted and</i>

Sr. No.	Evaluation Parameter	Scoring Criteria
		<i>scored once.</i>
2	Number of Partners in the audit firm. (Max Score = 15)	$\frac{\text{Number of Partners of the Bidder}}{\text{Maximum number of Partners among bidders}} \times 15$
3	Qualifications and experience of key staff. (Max Score = 15)	5 score for each qualified resource i.e CAs having relevant technical skills of handling IFRS-9 related projects and 2.5 score for other than CA including CAF qualification having relevant technical skills of handling IFRS-9. (Max Score = 10)
4	Active global affiliation (Max Score = 10)	10 Score for active global affiliation / membership.

** Note: Major Bank includes Public Sector bank, Private Sector Bank, Specialized bank, Foreign bank, Microfinance bank as defined by the State Bank of Pakistan*

- The score base technical and financial evaluation shall be made, after mandatory qualification, as per given formula at annexure Z C & D. The summary is as following:

Technical weightage	80 %
Financial Weightage	20 %
Financial bids will be opened of those firms who score at least 55 marks in the Technical evaluation.	

Evaluation Criteria for Financial Proposals

Financial Proposals of technically responsive bidders will be opened and score will be assigned in comparison to the bidder having lowest value in accordance with following criteria;

Total financial Score	$\frac{\text{Lowest fee among bidder}}{\text{Fee of the bidder}} \times 100$
-----------------------	--

Combined Evaluation of Technical and Financial Proposals

The combined Evaluation of technical and financial proposals will be performed, as follows:

$$\text{Total Score of a Bidder} = (\text{Total Technical Score Obtained by Bidder} \times 80/100) + (\text{Total Financial Score Obtained by Bidder} \times 20/100)$$

TERMS OF REFERENCE (TORs)

1. **Goal:** The assignment is aimed to appoint IFRS-9 consultant of the Bank.
2. **Objective(s) of the Assignment:** This Request for Proposal (RFP) expects and seeks consultancy services required for implementation / adoption of IFRS-9 as required by the regulators.
3. **Scope of Services, Tasks (Components) and Expected Deliverables:** The prospective IFRS-9 Consultant will be required to render its services for the following;
 - a. Perform initial diagnostic and quantitative impact analysis on AS-IS & TO-BE basis to determine gap analysis for IFRS-9 implementation as per Regulatory guidelines and industry best practice.
 - b. Develop a plan for the IFRS-9 application, implementation challenges and key issues needed to be addressed for implementation of IFRS-9.
 - c. Assess the existing infrastructure and provide recommendations on the required changes or upgrades for bank wide implementation of IFRS-9.
 - d. Ensure compliance of all internal stakeholders (function wise) with statutory requirements in respect of IFRS-9 implementation.
 - e. Assess the existing infrastructure and develop system based expected credit loss (ECL) calculator for the Bank and any other requirements under IFRS-9.
 - f. Review of existing policies and manuals and update with the latest requirements of IFRS-9 wherever deems necessary.
 - g. Calculating Bank-wide impact assessment of IFRS-9 including but not limited to financial position of the Bank, Strategic and organizational changes required along with qualitative/quantitative gap analysis and impact of Fair value, EIR and modification accounting treatment and how bank can cope with any negative impacts under above methodology.
 - h. Review the existing Capital Adequacy and other regulatory requirements and suggest changes as per IFRS-9 guidelines.
 - i. Development of new regulatory reporting guidelines w.r.t IFRS-9 requirements such as RCOA/ISIC templates and methodologies etc.
 - j. Assistance in incorporating all possible impacts of IFRS-9 in the annual financial statements along with detailed notes of advances, investments, provisions and write offs and any other disclosure which has been impacted materially with separate disclosures to show the impact of IFRS-9 implementation on regulatory capital requirement as a result of additional provisioning.
 - k. Support determining of key factors for inclusion in the model(s) for onward calculation of ECL and assist in industry benchmarking of quantitative results.
 - l. Review of existing ECL Model and development of a new automated system/module for accurate and timely reporting under IFRS-9 guidelines.
 - m. Development of appropriate training strategies under IFRS-9 and training of master trainers.
 - n. Provision of the services should be in line SBP guidelines and industry best practice
4. **Team Composition & Qualification Requirements for the Key Experts (and any other requirements, which will be used for evaluating the Key Experts under Data Sheet.**

Required Qualification of key experts

- Expertise in Development of ECL models/ calculator and related requirements within banking industry.
- Professional Qualification with proven track record.

Experience

For team leader:

- At least 05 years of professional and relevant experience (post qualification).
- Expertise in Development of ECL models/ calculator and related requirements within banking industry.

- Having undertaken IFRS-9 implementation assignment as team lead for a bank / financial institution.
- Clear understanding of banking business, while agri-business and rural financing know how will be considered as +.
- Experience of PPRA rules, contract management and related matters
- Excellent verbal and written communication skills

For team members: (Minimum two members are required however, bidder firm may add members in proposed team to cover the required scope)

- Minimum 02 years of relevant experience (post qualification) for banking and financing services industry.
- Experience of PPRA rules & regulations, contract Act, and other related rules and regulations
- Excellent verbal and written communication skills.

5. **Reporting Requirements and Time Schedule for Deliverables:** The ~~audit~~ firm shall propose expected timelines in such a manner that the statutory timelines may be complied by the procuring agency. At the end of each scope of assignment the firm shall deliver appropriate report / certificate to comply with the statutory requirements.

ZARAI TARAQIATI BANK LIMITED

FINAL EVALUATION REPORT

(AS PER RULE 35 OF PUBLIC PROCUREMENT RULES 2004)

1	Name of Procuring Agency	ZARAI TARAQIATI BANK LIMITED, HEAD OFFICE, ISLAMABAD			
2	Method of Procurement	Open Competitive Bidding. Single stage - two envelope procedure as defined in PPRA Rules 2004, Clause 36 (b)			
3	Title of Procurement	Appointment of IFRS-9 Consultant			
4	Tender Enquiry No.	ZTBL-20-2024-2			
5	PPRA Ref. No. TSE	TS549769E			
6	Date & Time of Bid Closing	29.10.2024, 11:00 AM			
7	Date & Time of Bid Opening	29.10.2024, 11:30 AM			
8	No. of Bids Received	03 (Three),			
9	Criteria of Bid Evaluation	Bidder Qualification Criteria			
		Bidder complying with all conditions mentioned in the Bidding Document shall be selected for technical and financial evaluation. Bidder(s) not fulfilling any condition of Bidder Qualification Criteria shall be disqualified and their bids shall not be considered for technical & financial evaluation.			
		BID EVALUATION CRITERIA			
		Technical Evaluation Criteria			
		Bidders' solution submitted as technical proposal must be capable to perform all functions and must meet all requirements mentioned in Scope of Work.			
		Compliance of all technical specifications mentioned in this Bid Document is mandatory. Technical Evaluation to be done on compliant/non-compliant basis by scoring minimum 55 Marks. Bidders scoring marks below 55 shall be declared as Non-Compliant. Technical Compliance Matrix given in bid document to be used for evaluation.			
		Financial Evaluation Criteria			
		Financial Proposals of technically responsive bidders will be opened and score will be assigned in comparison to the bidder having lowest value in accordance with following criteria;			
		<table><tr><td>Total financial Score</td><td>$\frac{\text{Lowest fee among bidder} \times 100}{\text{Fee of the bidder}}$</td></tr></table>		Total financial Score	$\frac{\text{Lowest fee among bidder} \times 100}{\text{Fee of the bidder}}$
		Total financial Score	$\frac{\text{Lowest fee among bidder} \times 100}{\text{Fee of the bidder}}$		
Combined Evaluation of Technical and Financial Proposals: The combined Evaluation of technical and financial proposals will be performed, as follows: Total Score of a Bidder = (Total Technical Score Obtained by Bidder X 80/100) + (Total Financial Score Obtained by Bidder X 20/100)					

ZARAI TARAQIATI BANK LIMITED

10. Details of Technical Bid(s) Evaluation

Name of Bidder	Marks		Evaluated Cost (PKR) Including taxes	Rule/Regulation/SBD/Policy/Basis for Rejection/Acceptance as per Rule 35 of PPRA Rules, 2004
	Technical (If Applicable)	Financial (If Applicable)		
M/s KPMG Taseer Hadi & Co.	90 (marks) 72 (weightage)	20 (marks) 20 (weightage)	Rs. 17,400,000.00	Compliant to bid document terms & conditions. Financial Ranking: Single technically and financially compliant bidder
M/s UHY Hassan Naeem & Co.	38 (marks) 30.4 (weightage)	-	Financial proposal not opened	The firm does not obtained required threshold marks.
M/s Ilyas Saeed & Co.	-	-	Financial proposal not opened	Declared non-compliant as per mandatory qualification criteria.

Most Advantageous Bid: M/s KPMG Taseer Hadi & Co.

Signature: _____


16/12/2024

Haseeb Akhter
Head (Procurement Department)
General Services Division,
ZTBL, H.O. Islamabad

Official Stamp: _____

Dated: 16.12.2024

STANDARD FORM OF CONTRACT

(Lump-Sum)

Contract for Bidder's Services

Tender Title APPOINTMENT OF IFRS-9 CONSULTANT

Contract No. ZTBL-20-2024-02

Between

Zarai Tarqiati Bank Limited (ZTBL)

And

KPMG Taseer Hadi & Co (KPMG)

Dated: February 3, 2025





1. FORM OF CONTRACT

This CONTRACT (hereinafter called the "Contract") is made the 3 day of the month of *February*, 2025, between, on the one hand, ZTBL (hereinafter called the "Procuring Agency") and, on the other hand, KPMG Taseer Hadi & Co (hereinafter called the "Bidder", "KPMG").

WHEREAS

- (a) The Procuring Agency has requested the Bidder to provide certain consulting services as defined in this Contract (hereinafter called the "Services");
- (b) the Bidder, having represented to the Procuring Agency that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) The Procuring Agency has funds to eligible payments under this Contract, it being understood that (i) payments will be made only at the request of the Procuring Agency; (ii) such payments will be subject, in all respects, to the terms and conditions of the agreement.

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) The General Conditions of Contract
 - (b) The Special Conditions of Contract;
 - (c) Appendices:
 - Appendix A: Terms of Reference
 - Appendix B: Key Experts
 - Appendix C: The Letter of Intent to the Supplier for Award of Contract
 - Appendix D: The Acceptance Letter submitted by the Supplier
 - Appendix E: The Bid Submission Sheet, the Price Schedules submitted by the Supplier.
 - Appendix F: The Technical & Financial Proposal submitted by the Bidder. Appendix G: The Purchase order issued by ZTBL
 - Appendix H: Bid Document/RFQ
 - Appendix I: Location of Services (If appendix is not given, the service shall be provided at ZTBL Head Office Islamabad)

In the event of any inconsistency between the documents, the following order of precedence shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C; Appendix D; Appendix E and Appendix F. Any reference to this Contract shall include, where the context permits, a reference to its Appendices.

2. The mutual rights and obligations of the Procuring Agency and the Bidder shall be as set forth in the Contract, in particular:
 - (a) The Bidder shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) The Procuring Agency shall make payments to the Bidder in accordance with the provisions of the Contract.





NADRA



RECEIPT

Biometric Verification
ICT STAMP PAPER
نام: فہد ملک

CNIC : 6110120806413
Verification Status : Verified
Date : 03-02-2025
Time : 14:11:32
Service Charges : 120
eSahulat ID : 84548
Issue Date : 03-02-2025
Expiry Date : 03-04-2025

Serial No. 1455

Stamp Worth 100/-

Date 03-02-2024

FOR CONTRACT**Between****ZARAI TARQIATI BANK LIMITED (ZTBL)****AND****KPMG TASEER HADI & CO (KPMG)**

8454825020314104501

through Fahad Malik CNIC No. 61101-2080641-3
(Employee of KPMG)

یہ انعام پیپر سرکاری ادارہ/CDIA
ریاستی اداروں کی ملکیت میں آگے دہری ادارہ
خرید فروخت کے لئے جاری نہیں کیا گیا

MUJEEB-UR-REHMAN
Licence No. 305/DRA
ANWAR STAMP CHAMBER
Shop No. 84 Saeed Plaza, China Chowk
Blue Area Islamabad. Mob: 03018966686

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For
KPMG Taseer Han & Co
NAME **OMER CHEEMA**
SIGNATURE & OFFICIAL STAMP

For
ZARAI TARAQIATI BANK LTD.
NAME
SIGNATURE & OFFICIAL STAMP
MUHAMMAD ARIF
Chief Financial Officer

WITNESS:
1. **Sana Kainat**
NAME **SANA KAINAT**
SIGNATURE & OFFICIAL STAMP
2. **Ali Ahmed Khan**
NAME **ALI AHMED KHAN**
SIGNATURE & OFFICIAL STAMP

1. **Safdar Zaidi**
NAME **SAFДАР ZAIDI**
SIGNATURE & OFFICIAL STAMP
DIVISIONAL HEAD (F&A)
ATBL HS ISLAMABAD
2. **Ali Hassan**
NAME **ALI HASSAN**
SIGNATURE & OFFICIAL STAMP
General Accounts Department
Zarai Taraqiat Bank Limited
Head Office, Islamabad

ATTESTED
TARIQ IQBAL MANER
Advocate High Court
Notary
Public
ISLAMABAD

General Conditions of the Contract

A. General Provisions

1. Definitions

1.1 Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) **"Applicable Law"** means the laws and any other instruments having the force of law in Pakistan or as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
- (b) **"Procuring Agency"** means: - Zarai Taraqati Bank Limited(ZTBL)
- (c) **"Procuring Agency's Personnel"** refers to the staff, labor and other employees (if any) of the Procuring Agency engaged in fulfilling the Procuring Agency's obligations under the Contract; and any other personnel identified as Procuring Agency's Personnel, by a notice from the Procuring Agency to the Bidder.
- (d) **"Bidder"** means an individual Bidder or a consulting firm as the case may be;
- (e) **"Contract"** means an agreement enforceable by law;
- (f) **"Contractor"** means a person, Bidder, firm, company or an organization who undertake to supply goods, services or works;
- (g) **"Contractor's Personnel"** means personnel whom the Contractor utilizes in the execution of its contract, including the staff, labor and other employees of the Contractor and each subcontractor; and any other personnel assisting the Contractor in the execution of the contract to be supervised by the Bidder (if applicable).
- (h) **"Day"** means calendar day unless indicated otherwise.
- (i) **"Effective Date"** means the date on which this Contract comes into force and effect pursuant to Clause GCC 11.
- (j) **"Experts"** means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Bidder, Sub-Bidder or JV member(s) assigned by the Bidder to perform the Services or any part thereof under the Contract.
- (k) **"Foreign Currency"** means any currency other than the Pakistani Rupees.
- (l) **"GCC"** mean these General Conditions of Contract.
- (m) **"Government"** means the Government of Pakistan.
- (n) **"Joint Venture (JV)"** means an association with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Procuring Agency for the performance of the Contract.
- (o) **"Key Expert(s)"** means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Bidder's proposal.
- (p) **"Local Currency"** means the currency of Pakistan
- (q) **"Non-Key Expert(s)"** means an individual professional provided by the Bidder or its Sub-Bidder to perform the Services or any part thereof under the Contract.
- (r) **"Party"** means the Procuring Agency or the Bidder, as the case may be, and "Parties" means both of them.
- (s) **"SCC"** means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
- (t) **"Services"** means any object of procurement other than goods or works, the work to be performed by the Bidder pursuant to this Contract, as described in Appendix A hereto.



- (u) **"Site"** (if applicable) means the land and other places where Works are to be executed or facilities to be installed, and such other land or places as may be specified in the Contractor's Contract as forming part of the Site.
- (v) **"Sub-Bidders"** means an entity to whom/which the Bidder subcontracts any part of the Services while remaining solely liable for the execution of the Contract.
- (w) **"Third Party"** means any person or entity other than the Government, the Procuring Agency, the Bidder or a Sub-Bidder.

2. Relationship between the Parties

2.1. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Procuring Agency and the Bidder. The Bidder, subject to this Contract, has complete charge of the Experts and Sub-Bidders, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

3. Law Governing Contract

3.1. The contract shall be governed and interpreted in accordance with the laws of Pakistan, unless otherwise specified in **SCC**.

4. Language

4.1. The Contract as well as all correspondence and documents relating to the Contract exchanged between the Bidder and the Procuring Agency shall be written in the English language unless otherwise stated in the **SCC**. Supporting documents and printed literature that are part of the Contract may be in another language provided these are accompanied by an accurate translation of the relevant passages in English, in which case, for purposes of interpretation of the Contract, this translation shall govern.

5. Headings

5.1. The headings shall not limit, alter or affect the meaning of this Contract.

6. Communications

6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the **SCC**.

6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the **SCC**.

7. Location

7.1. The Services shall be performed at such locations as are specified in **Appendix I** hereto and, where the location of a particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the Procuring Agency may approve.

8. Authority of Member in Charge

8.1. In case the Bidder is a Joint Venture, the members hereby authorize the member specified in the **SCC** to act on their behalf in exercising all the Bidder's rights and obligations towards the Procuring Agency under this Contract, including without limitation the receiving of instructions and payments from the Procuring Agency.

9. Authorized Representatives

9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Procuring Agency or the Bidder may be taken or executed by the officials specified in the **SCC**.

10. Fraud and Corruption

1. Public Procurement Regulatory Authority requires that Procuring Agencies (including beneficiaries of Government funded projects) as well as Applicants/Bidders/Suppliers/Contractors under Government financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts.



10.2 The Bidder/Applicant/ Bidders shall permit and shall cause their agents (whether declared or not), sub-contractors, sub-Bidders, service providers, suppliers, and their personnel, to permit the Procuring Agency to inspect all accounts, records and other documents relating to any, Bid submission, Primary Procurement process, Framework Agreement performance, Secondary Procurement process, and/or Call-off Contract performance (in the case of award of a Call-off Contract), and to have them audited by consultant appointed by the Procuring Agency.

10.3 Any communications between the Bidder and the Procuring Agency related to matters of alleged corrupt and fraudulent practices must be made in

writing or in electronic forms that provide record of the content of communication.

10.4 Procuring Agency will reject proposal, if it is established that the Bidder was engaged in corrupt and fraudulent practices in competing for the contract.

10.5 Procuring Agency will also declare the bidder/Firm as blacklisted in accordance with the regulatory provisions PP Rule 19 and predefined standard mechanism.

B. Commencement, Completion, Modification and Termination of Contract

- | | |
|--|--|
| 11. Effectiveness of Contract | 11.1. This Contract shall come into force and effect on the date (the "Effective Date") of the Procuring Agency's notice to the Bidder instructing the Bidder to begin carrying out the Services through issuance of purchase order. This notice shall confirm that the effectiveness conditions, if any, listed in the SCC have been met. |
| 12. Termination of Contract for Failure to Become Effective | 12.1. If this Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto. |
| 13. Commencement of Services | 13.1. The Bidder shall ensure availability of Key Experts and begin carrying out the Services immediately after issuance of purchase order. |
| 14. Expiration of Contract | 14.1. Unless terminated earlier pursuant to Clause GCC 19 hereof, this Contract shall expire at the end of such validity time period after the Effective Date as specified in the SCC. |
| 15. Entire Agreement | 15.1. This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein. |
| 16. Modifications or Variations | 16.1. Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

16.2. In cases of any modifications or variations, the prior written consent of the Procuring Agency is required. |
| 17. Force Majeure | |
| a. Definition | 17.1. For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action confiscation or any other action by Government agencies. |



17.2. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Experts, Sub-Bidders or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

17.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

b. No Breach of Contract

17.4. The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

c. Measures to be Taken

17.5. A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

17.6. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

17.7. Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

17.8. During the period of their inability to perform the Services as a result of an event of Force Majeure, the Bidder, upon instructions by the Procuring Agency, shall either:

- (a) demobilize, in which case the Bidder shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Procuring Agency, in reactivating the Services; or
- (b) Continue with the Services to the extent reasonably possible, in which case the Bidder shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.

17.9. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 49& 50.

18. Suspension

18.1. The Procuring Agency may, by written notice of suspension to the Bidder, suspend all payments to the Bidder hereunder if the Bidder fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Bidder to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Bidder of such notice of suspension.

19. Termination

19. 1. This Contract may be terminated by either Party as per provisions set up below:

a. By the Procuring Agency

19.1.1. The Procuring Agency may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Procuring Agency shall give at least thirty (30) calendar days' written notice of termination to the Bidder in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in



(e); and at least five (5) calendar days' written notice in case of the event referred to in (f):

- (a) If the Bidder fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;
- (b) If the Bidder becomes (or, if the Bidder consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (c) If the Bidder fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 49
- (d) If, as the result of Force Majeure, the Bidder is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;
- (e) If the Procuring Agency, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;
- (f) If the Bidder fails to confirm availability of Key Experts as required in Clause GCC 13.

19.1.2 if the Bidder, in the judgment of the Procuring Agency has engaged in Fraud and Corruption, as defined in paragraph 1.23 of Attachment 1 to the GCC, in competing for or in executing the Contract, then the Procuring Agency may, after giving fourteen (14) calendar days' written notice to the Bidder, terminate the Bidder's employment under the Contract.

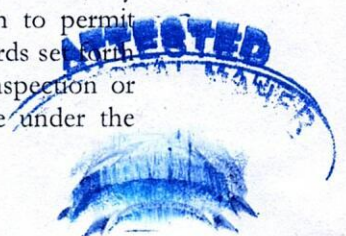
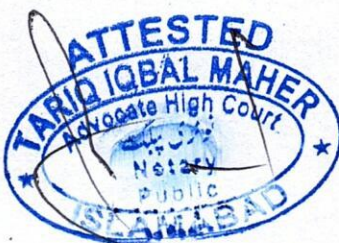
b. By the Bidder

19.1.3 The Bidder may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Procuring Agency, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

- (a) If the Procuring Agency fails to pay any money due to the Bidder pursuant to this Contract and not subject to dispute pursuant to Clauses GCC 50.1 within forty-five (45) calendar days after receiving written notice from the Bidder that such payment is overdue.
- (b) If, as the result of Force Majeure, the Bidder is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days.
- (c) If the Procuring Agency fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 50.1.
- (d) If the Procuring Agency is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Bidder may have subsequently approved in writing) following the receipt by the Procuring Agency of the Bidder's notice specifying such breach.

c. Cessation of Rights and Obligations

19.1.4 Upon termination of this Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of this Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GCC 22, (iii) the Bidder's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GCC 25 and to cooperate and assist in any inspection or investigation, and (iv) any right which a Party may have under the Applicable Law.



- d. **Cessation of Services** 19.1.5 Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GCC 19a or GCC 19b, the Bidder shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Bidder and equipment and materials furnished by the Procuring Agency, the Bidder shall proceed as provided, respectively, by Clauses GCC 27 or GCC 28.
- e. **Payment upon Termination** 19.1.6 Upon termination of this Contract, the Procuring Agency shall make the payments to the Bidder as per payment terms mentioned in ITB.

C. Obligations of the Bidder

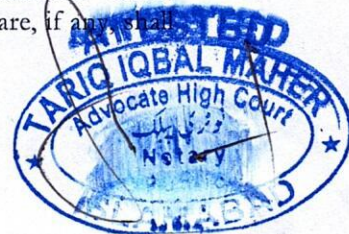
20. General

- a. **Standard of Performance** 20.1 The Bidder shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Bidder shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Procuring Agency, and shall at all times support and safeguard the Procuring Agency's legitimate interests in any dealings with the third parties.
20.2 The Bidder shall employ and provide such qualified and experienced Experts and Sub-Bidders as are required to carry out the Services.
20.3 The Bidder may subcontract part of the Services to an extent and with such Key Experts and Sub-Bidders as may be approved in advance by the Procuring Agency.
- b. **Law Applicable to Services** 20.4 The Bidder shall perform the Services in accordance with the Contract and in accordance with the Law of Pakistan and shall take all practicable steps to ensure that any of its Experts and Sub-Bidders, comply with the Applicable Law.

21. Conflict of Interests

- a. **Bidder Not to Benefit from Commissions, Discounts, etc.** 21.1 The Bidder shall hold the Procuring Agency's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.
21.1.1 The payment of the Bidder pursuant to GCC F (Clauses GCC 42 through 47) shall constitute the Bidder's only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Bidder shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Bidder shall use its best efforts to ensure that any Sub-Bidders, as well as the Experts and agents of either of them, similarly shall not receive any such additional payment.
21.1.2 Furthermore, if the Bidder, as part of the Services, has the responsibility of advising the Procuring Agency on the procurement of goods, works or services. Any discounts or commissions obtained by the Bidder in the exercise of such procurement responsibility shall be for the account of the Procuring Agency.
- b. **Bidder and Affiliates Not to Engage in Certain Activities** 21.1.3 The Bidder agrees that, during the term of this Contract and after its termination, the Bidder and any entity affiliated with the Bidder, as well as any Sub-Bidders and any entity affiliated with such Sub-Bidders, shall be disqualified from providing goods, works or non-consulting services resulting from or directly related to the Bidder's Services for the preparation or implementation of the project, unless otherwise indicated in the SCCs High Court.
- c. **Prohibition of Conflicting Activities** 21.1.4 The Bidder shall not engage, and shall cause its Experts as well as its Sub-Bidders not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.

- d. **Strict Duty to Disclose Conflicting Activities** 21.1.5 The Bidder has an obligation and shall ensure that its Experts and Sub-Bidders shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Procuring Agency, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Bidder or the termination of its Contract.
22. **Confidentiality** 22.1 Except with the prior written consent of the Procuring Agency, the Bidder and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Bidder and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.
23. **Liability of the Bidder** 23.1 Subject to additional provisions, if any, set forth in the SCC, the Bidder's liability under this Contract shall be as determined under the Applicable Law.
24. **Insurance to be Taken out by the Bidder** No provisions.
25. **Accounting, Inspection and Auditing** 25.1. The Bidder shall keep, and shall make all reasonable efforts to cause its Sub-Bidders to keep, accurate and systematic accounts and records in respect of the Services in such form and detail as will clearly identify relevant time changes and costs.
- 25.2. Pursuant to paragraph 1.23 (e) of Attachment 1 to the General Conditions, the Bidder shall permit and shall cause its agents (where declared or not), subcontractors, sub-Bidders, service providers, suppliers, and personnel, to permit, the procuring agency to inspect the site and/or the accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have such accounts, records and other documents. The Bidder's and its Subcontractors' and sub-Bidders' attention is drawn to Sub-Clause 10.1 (Fraud and Corruption) which provides, inter alia, that acts intended to materially impede the exercise of the Procuring Agency's inspection and audit rights constitute a prohibited practice subject to contract termination.
26. **Reporting Obligations** 26.1. The Bidder shall submit to the Procuring Agency the reports and documents specified in **section VI (6) of RFQ**, in the form, in the numbers and within the time periods set forth in clause 33 of ITB.
27. **Proprietary Rights of the Procuring Agency in Reports and Records** 27.1. Unless otherwise indicated in the SCC, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Bidder for the Procuring Agency in the course of the Services shall be confidential and become and remain the absolute property of the Procuring Agency. The Bidder shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Procuring Agency, together with a detailed inventory thereof. The Bidder may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Procuring Agency.
- 27.2 If license agreements are necessary or appropriate between the Bidder and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Bidder shall obtain the Procuring Agency's prior written approval to such agreements, and the Procuring Agency shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the SCC.



28. Equipment, Vehicles and Materials

28.1 Equipment, vehicles and materials etc. made available to the Bidder by the Procuring Agency, or purchased by the Bidder wholly or partly with funds provided by the Procuring Agency, shall be the property of the Procuring Agency and shall be marked accordingly. Upon termination or expiration of this Contract, the Bidder shall make available to the Procuring Agency an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Procuring Agency's instructions. While in possession of such equipment, vehicles and materials, the Bidder, unless otherwise instructed by the Procuring Agency in writing, shall insure them at the expense of the Procuring Agency in an amount equal to their full replacement value.

28.2 Any equipment or materials etc. brought by the Bidder or its Experts into the Procuring Agency's country for the use either for the project or personal use shall remain the property of the Bidder or the Experts concerned, as applicable.

29. Code of Conduct

29.1 The Procuring Agencies and the Bidder are bound to follow the Code of Ethics issued by the Authority.

D. Bidder's Experts and Sub-Bidders

30. Description of Key Experts

30.1 The title, agreed job description, minimum qualification and time-input estimates to carry out the Services of each of the Bidder's Key Experts are described in bidder's Technical proposal/**Appendix B**.

30.2 If required to comply with the provisions of Clause GCC 20a, adjustments with respect to the estimated time-input of Key Experts set forth in **Appendix B** may be made by the Bidder by a written notice to the Procuring Agency, provided (i) that such adjustments shall not alter the original time-input estimates for any individual by more than 10% or one week, whichever is larger; and (ii) that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in Clause GCC 42.2.

30.3 If additional work is required beyond the scope of the Services specified in **Appendix A**, the estimated time-input for the Key Experts may be increased by agreement in writing between the Procuring Agency and the Bidder. In case where payments under this Contract exceed the ceilings set forth in Clause GCC 42.2, the Parties shall sign a Contract amendment.

31. Replacement of Key Experts

31.1 Except as the Procuring Agency may otherwise agree in writing, no changes shall be made in the Key Experts.

31.2 Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Bidder's written request and due to circumstances outside the reasonable control of the Bidder, including but not limited to death or medical incapacity. In such case, the Bidder shall forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.

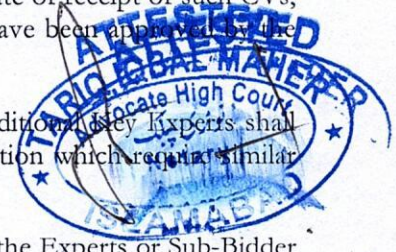
32. Approval of Additional Key Experts

32.1 If during execution of the Contract, additional Key Experts are required to carry out the Services, the Bidder shall submit to the Procuring Agency for review and approval a copy of their Curricula Vitae (CVs). If the Procuring Agency does not object in writing (stating the reasons for the objection) within twenty-two (22) days from the date of receipt of such CVs, such additional Key Experts shall be deemed to have been approved by the Procuring Agency.

The rate of remuneration payable to such new additional Key Experts shall be based on the rates for other Key Experts position which require similar qualifications and experience.

33. Removal of Experts or Sub-Bidders

33.1 If the Procuring Agency finds that any of the Experts or Sub-Bidder has committed serious misconduct or has been charged with having committed a criminal action, or shall the Procuring Agency determine that a Bidder's Expert or Sub-Bidder has engaged in Fraud and Corruption while performing the Services, the Bidder shall, at the Procuring Agency's written request, provide a replacement.



33.2 In the event that any of Key Experts, Non-Key Experts or Sub-Bidders is found by the Procuring Agency to be incompetent or incapable in discharging assigned duties, the Procuring Agency, specifying the grounds therefore, may request the Bidder to provide a replacement.

33.3 Any replacement of the removed Experts or Sub-Bidders shall possess better qualifications and experience and shall be acceptable to the Procuring Agency.

**34. Replacement/
Removal of
Experts – Impact
on Payments**

34.1 Except as the Procuring Agency may otherwise agree, (i) the Bidder shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Experts provided as a replacement shall not exceed the remuneration which would have been payable to the Experts replaced or removed.

**35. Working Hours,
Overtime, Leave,
etc.**

35.1 Working hours and holidays for Experts are set forth in **Appendix B**. To account for travel time to/from the Procuring Agency's country, experts carrying out Services inside the Procuring Agency's country shall be deemed to have commenced or finished work in respect of the Services such number of days before their arrival in, or after their departure from, the Procuring Agency's country as is specified in **Appendix B**.

35.2 The Experts shall not be entitled to be paid for overtime nor to take paid sick leave or vacation leave except as specified in **Appendix B**, and the Bidder's remuneration shall be deemed to cover these items.

35.3 Any taking of leave by Key Experts shall be subject to the prior approval by the Bidder who shall ensure that absence for leave purposes will not delay the progress and or impact adequate supervision of the Services.

E. Obligations of the Procuring Agency

**36. Assistance and
Exemptions**

36.1 Unless otherwise specified in the **SCC**, the Procuring Agency shall use its best efforts to:

- (a) Assist the Bidder with obtaining work documents and such other documents as shall be necessary to enable the Bidder to perform the Services.
- (b) Assist the Bidder with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit passes and any other documents required for their work in the Procuring Agency while carrying out the Services under the Contract.
- (c) If required, Provision of appropriate space in procuring agency for smooth completion of assignment.
- (d) Provide to the Bidder any such other assistance as may be specified in the **SCC**.

**37. Access to Project
Site**

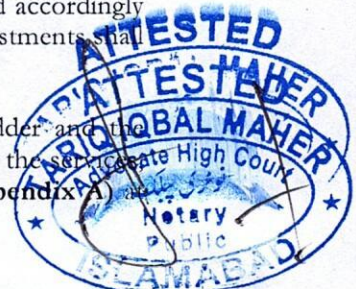
37.1 The Procuring Agency warrants that the Bidder shall have, free of charge, unimpeded access to the Head office and branches of ZITBL for smooth completion of assignment.

**38. Change in the
Applicable Law
Related to Taxes
and Duties**

38.1 If, after the date of this Contract, there is any change in the applicable law in the Procuring Agency's country with respect to taxes and duties which increases or decreases the cost incurred by the Bidder in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Bidder under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Clause GCC 42.2.

**39. Services,
Facilities and
Property of the
Procuring Agency**

39.1 The Procuring Agency shall make available to the Bidder and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (**Appendix A**) at the times and in the manner specified in said **Appendix A**.



39.2 In case that such services, facilities and property shall not be made available to the Bidder as and when specified in **Appendix A**, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Bidder for the performance of the Services, (ii) the manner in which the Bidder shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Bidder as a result thereof pursuant to Clause GCC 42.3.

40. Counterpart Personnel

40.1 The Procuring Agency shall make available to the Bidder free of charge such professional and support counterpart personnel, to be nominated by the Procuring Agency with the Bidder's advice, if specified in **Appendix A**.

40.2 If counterpart personnel are not provided by the Procuring Agency to the Bidder as and when specified in **Appendix A**, the Procuring Agency and the Bidder shall agree on (i) how the affected part of the Services shall be carried out, and (ii) the additional payments, if any, to be made by the Procuring Agency to the Bidder as a result thereof pursuant to Clause GCC 42.3.

40.3 Professional and support counterpart personnel, excluding Procuring Agency's liaison personnel, shall work under the exclusive direction of the Bidder. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Bidder that is consistent with the position occupied by such member, the Bidder may request the replacement of such member, and the Procuring Agency shall not unreasonably refuse to act upon such request.

41. Payment Obligation

41.1 In consideration of the Services performed by the Bidder under this Contract, the Procuring Agency shall make such payments to the Bidder and in such manner as is provided in Clause 32 of ITB/RFP.

F. Payments to the Bidder

42. Ceiling Amount

42.1 The Bid price has been mentioned in financial proposal of the bidder. However, ZITBL will make payment against the price/amounts mentioned in the purchase order.

42.2 Payments under this Contract shall not exceed the ceilings in foreign currency and in local currency specified in the **SCC**.

42.3 For any payments in excess of the ceilings specified in GCC42.2, an amendment to the Contract shall be signed by the Parties referring to the provision of this Contract that evokes such amendment.

43. Remuneration and Reimbursable Expenses

43.1 The Procuring Agency shall pay to the Bidder the price of consultancy services as per issued purchase order.

44. Taxes and Duties

44.1 The Bidder, Sub-Bidders and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the **SCC**.

44.2 As an exception to the above and as stated in the **SCC**, all local identifiable indirect taxes such as GST (itemized and finalized at Contract negotiations) are reimbursed to the Bidder or are paid by the Procuring Agency on behalf of the Bidder under applicable rules and regulations.

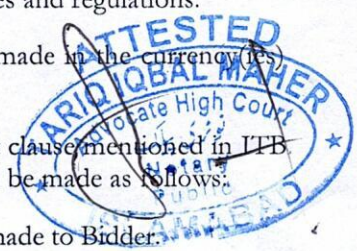
45. Currency of Payment

45.1 Any payment under this Contract shall be made in the currency (ies) specified in the **SCC**.

46. Mode of Billing and Payment

46.1 The payment shall be issued as per payment clause mentioned in ITB Billings and payments in respect of the Services shall be made as follows:

(a) Advance payment. No advance payment will be made to Bidder.



- (b) The Bidder will submit the payment invoice including Sales tax invoice and delivery challan after successful delivery of deliverables as per scope of project.
- (c) The Procuring Agency shall pay the Bidder's invoices within thirty (30) days after the receipt of invoices and satisfactory report by the Procuring Agency. Only invoice that is not satisfactorily supported may be withheld from payment. Should any discrepancy be found to exist between actual payment and costs authorized to be incurred by the Bidder, the Procuring Agency may add or subtract the difference from any subsequent payments.
- (d) The Final Payment. The final payment under this Clause shall be made only after the final report and a final invoice, identified as such, shall have been submitted by the Bidder and approved as satisfactory by the Procuring Agency. The Services shall be deemed completed and finally accepted by the Procuring Agency and the final report and final invoice shall be deemed approved by the Procuring Agency as satisfactory ninety (90) calendar days after receipt of the final report and final invoice by the Procuring Agency unless the Procuring Agency, within such ninety (90) calendar day period, gives written notice to the Bidder specifying in detail deficiencies in the Services, the final report or final invoice. The Bidder shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated. Any amount that the Procuring Agency has paid or has caused to be paid in accordance with this Clause in excess of the amounts payable in accordance with the provisions of this Contract shall be reimbursed by the Bidder to the Procuring Agency within thirty (30) days after receipt by the Bidder of notice thereof. Any such claim by the Procuring Agency for reimbursement must be made within twelve (12) calendar months after receipt by the Procuring Agency of a final report and a final invoice approved by the Procuring Agency in accordance with the above.
- (e) All payments under this Contract shall be made to the Bidder through pay order/cross cheque(s) issued by ZTBL.
- (f) With the exception of the final payment under (d) above, payments do not constitute acceptance of the Services nor relieve the Bidder of any obligations hereunder.
- (g) If applicable ZTBL may deduct LDC from the payment invoice, as per applicable rate.

47. Interest on Delayed Payments

- 47.1 The Bidder shall not claim interest on delayed payments.

G. Fairness and Good Faith

48. Good Faith

- 48.1 The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

H. Settlement of Disputes

49. Amicable Settlement

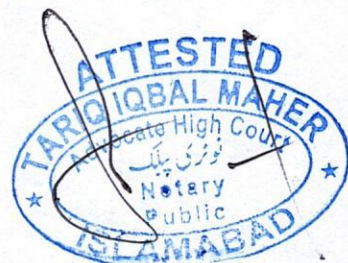
- 49.1 Any dispute of any kind whatsoever shall arise between the Authority and the Service Provider in connection with or arising out of the Contract, including without prejudice to the generality of the foregoing, any question regarding its existence, validity or termination, or the execution of the Project – whether during developing phase or after their completion and whether before or after the termination, abandonment or breach of the Contract – the parties shall seek to resolve any such dispute or difference by mutual consultation. If the parties fail to resolve such a dispute or difference even after negotiations or mediation, then the dispute shall be referred within fourteen (14) days in writing by either party to the Arbitrator, with a copy to the other party.



49.2 Any dispute in respect of which a notice of intention to commence arbitration has been given, in accordance with GCC sub-clause 45.1, shall be finally settled by arbitration. Arbitration may be commenced prior to or after completion of the Project. Arbitration proceedings shall be conducted in accordance with Arbitration Act 1940.

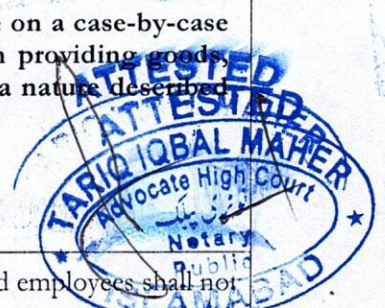
49.3 Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree that the Authority shall pay the Service Provider any monies due the Service Provider.

49.4 The process for dispute resolution is specified in the SCC



Special Conditions of Contract

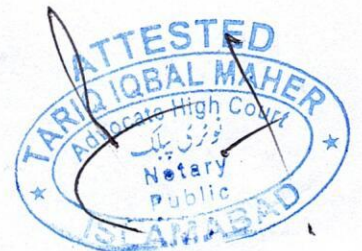
Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(b) and 3.1	The Contract shall be construed in accordance with the law of Pakistan.
4.1	The language is: <u>English</u>
6.1 and 6.2	<p>The addresses are:</p> <p>Procuring Agency:</p> <p style="margin-left: 100px;"><u>ZTBL Head office 1 Faisal Ave, Near Zero Point Interchange, G-7/1, Islamabad Capital Territory</u></p> <p>Attention: Ali Hassan _____</p> <p>E-mail (where permitted): _____</p> <p>Bidder: KPMG Taseer Hadi & Co. Chartered Accountants Sixth Floor, State Life Building No. 5 Jinnah Avenue, Blue Area Islamabad</p> <p>Attention: Omer Cheema _____</p> <p>E-mail (where permitted) : _____</p>
8.1	N/A
9.1	<p>The Authorized Representatives are:</p> <p>For the Procuring Agency: <i>Ali Hassan Head - Central Accounts Department</i></p> <p>For the Bidder: <i>Omer Cheema Executive Director</i></p>
11.1	The effectiveness conditions are the following: <i>Issuance of purchase order</i>
12.1	<p>Termination of Contract for Failure to Become Effective:</p> <p>The time period shall be: 15 Days</p>
13.1	<p>Commencement of Services:</p> <p>The number of days shall be Ten (10) Days from the date of purchase order</p> <p>Confirmation of Key Experts' availability to start the Assignment shall be submitted to the Procuring Agency in writing as a written statement signed by each Key Expert.</p>
14.1	<p>Expiration of Contract:</p> <p>The time period shall be 12 Months</p>
21 b.	<p>The Procuring Agency reserves the right to determine on a case-by-case basis whether the Bidder should be disqualified from providing goods, works or non-consulting services due to a conflict of a nature described in Clause GCC 21.1.3</p> <p>NO</p>
23.1	<p>Client agrees that firm, its partners, executive directors and employees shall not be liable to Client for any actions, damages, claims, liabilities, costs expenses, or losses in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to firm under the engagement (except to the extent determined to have resulted from the intentional or deliberate misconduct of KPMGTH personnel). In no event shall</p>



	<p>firm, its partners, executive directors or employees be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In furtherance and not in limitation of the foregoing, firm will not be liable in respect of any decisions made by Client as a result of the performance by firm of its services hereunder. The provisions of this Paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise.</p> <p>We expressly disclaim any liability to any third party for any loss, whether economic or otherwise, directly or indirectly, suffered due to implementation of our recommendations. We would also be entitled to full reimbursement by the client for all loss and liability suffered by us, whether directly or indirectly, in defending any suit or claim brought against us by any party, related to work carried out by us under the terms of the engagement. The firm will not assume any liability arising due to any interpretations made out of our observations and findings resultant to the assignment.</p>
24.1	No additional provisions.
27.1	<p>[If applicable, insert any exceptions to proprietary rights provision] No exception granted in any form or another</p>
27.2	[The Bidder shall not use these documents for purposes unrelated to this Contract]
29. Code of Conduct	The Bidder is "required" to have a Code of Conduct for Experts as per the policy of the Authority.
36.1	N/A
42.2	The ceiling in local currency is: PKR (Total value of quoted bid price <u>17,400,000</u> inclusive of local indirect taxes.
43.3	Price adjustment on the remuneration does not apply.
44.1 and 44.2	Any Applicable taxes as per local laws are applicable and will be deducted by ZTBL
45.1	<p>The currency of payment shall be the following: PAK Rupees (PKR)</p>
46.1(a)	<p>No advance payment is applicable.</p> <p>Payment shall be made as per milestones mentioned in the bid document</p>
49.	<p>Dispute Resolution</p> <ol style="list-style-type: none"> If any dispute of any kind whatsoever shall arise between the Authority and the Service Provider in connection with or arising out of the Contract, including without prejudice to the generality of foregoing, any question regarding its existence, validity, termination and the execution of the Project – whether during developing phase or after their completion and whether before or after the termination, abandonment or breach of the Contract – the parties shall seek to resolve any such dispute or difference by mutual diligent negotiations in good faith within 14 (fourteen) days following a notice sent by one Party to the other Party in this regard. At future of negotiation the dispute shall be resolved through mediation and mediator shall be appointed with the mutual consent of the both parties. At the event of failure of mediation to resolve the dispute relating to this contract such dispute shall finally be resolved through binding Arbitration



	<p>by sole arbitrator in accordance with Arbitration Act 1940. The arbitrator shall be appointed by mutual consent of the both parties. The Arbitration shall take place in Islamabad, Pakistan and proceedings will be conducted in English language.</p> <p>iv. The cost of the mediation and arbitration shall be shared by the parties in equal proportion however the both parties shall bear their own costs and lawyer's fees regarding their own participation in the mediation and arbitration. However, the Arbitrator may make an award of costs upon the conclusion of the arbitration making any party to the dispute liable to pay the costs of another party to the dispute.</p> <p>v. Arbitration proceedings as mentioned in the above clause regarding resolution of disputes may be commenced prior to, during or after completion of the EPADS.</p> <p>Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree that the Authority shall pay the Service Provider any monies due to the Service Provider.</p> <p>Arbitrator's fee: The fee shall be specified in Pak Rupees, as determined by the Managing Director, PPRA, which shall be shared equally by both parties.</p> <p>Appointing Authority for Arbitrator: By the Mutual Consent or in accordance with the provisions of Arbitration Act, 1940, in case the parties fail to reach a consensus on the name of sole arbitrator, any party may submit an application to the Chief Justice Islamabad High Court for appointment of sole arbitrator.</p> <p>Rules of procedure for arbitration proceedings: Any dispute between the Authority and a Service Provider who is a national of the Islamic Republic of Pakistan arising in connection with the present Contract shall be referred to adjudication or arbitration in accordance with the laws of the Islamic Republic of Pakistan including Arbitration Act 1940, however above provision shall prevail in referring the case to the Arbitrator.</p> <p>Place of Arbitration and Award: The arbitration shall be conducted in English language and place of arbitration shall be at Islamabad. The award of the arbitrator shall be final and shall be binding on the parties.</p>
--	--



I-APPENDICES

Appendix A:	Terms of Reference
Appendix B:	Key Experts
Appendix C:	The Letter of Intent to the Supplier for Award of Contract
Appendix D:	The Acceptance Letter submitted by the Supplier
Appendix E:	The Bid Submission Sheet, the Price Schedules submitted by the Supplier.
Appendix F:	The Technical & Financial Proposal submitted by the Bidder.
Appendix G:	The Purchase order issued by ZTBL
Appendix H:	Bid Document/RFQ
Appendix I:	Location of Services (If appendix is not given, the service Shall be provided at ZTBL Head Office Islamabad.

