

Pakistan International Airlines
Contract Management Division
Supply Chain Management
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[Website: www.piac.com.pk](http://www.piac.com.pk)

Tender Ref#: GMCM/INV/ENG/01/2022

Dated: 30-09 -2022

Tender Fee (Non-refundable):

PKR 15,000 (For local Bidders)

USD 500 (For foreign Bidders)

INVITATION TO TENDERS (BIDDING DOCUMENT)

(Instructions to Bidders Must Read Carefully)

M/s. _____

Subject: **Sale of Surplus CFM56-3, CF6-50 Engines (Unserviceable)**

PIACL is pleased to invite the sealed tenders for CFM56-3 and CF6-50 Engines listed in the attached Annex A on 'As is Where is' basis. Bidders must submit their offers, separately for each engine serial number. The offers must be made on the prescribed form (Annex A).

Bidding Document can also be accessed on following link as well:

www.piac.com.pk/corporate/sales-procurement/tenders

List of inventory and all available relevant documents can be accessed from the following link:

<https://drive.google.com/drive/folders/1dUNsDRhaEkBokgNzYgPM6ZTmvNfpLC2N?usp=sharing>

Prospective bidders may contact at dce.ebd@piac.aero, for additional information if required.

Terms & conditions of the tender are:

A) PREPARATION OF BIDS

Bids will be prepared on "Single Stage - Single Envelope" basis. All bidders must submit **one sealed envelope** on or before specified tender opening date/time with following documents:

- The Tender TORs, signed and stamped on all pages
- Tender Schedule (Annex A) duly filled, signed and stamped on every page.
- Banker's Cheque of PKR15, 000/- (Non Refundable) for local bidders or swift details of USD 500 (Non Refundable) for Foreign Bidders as Tender Fee.
- Banker's Cheque (from any scheduled bank of Pakistan) of 5% of bid value as Earnest Money (Refundable/Interest Free) from Local bidders (**Foreign Bidders exempted**).

The bid will not be considered if complete information required is not given therein.

Authorized signatures of individual signing the bid and other documents connected with the contract must specify whether signing as:

- Sole Proprietor or his attorney.
- A registered active partner of the firm or his attorney.
- For the firm per procreation.
- As secretary, Manager, Partner, etc., or their attorney in case of firms registered under Partnership Act.

Sign & Seal of Bidder

- The Bidders must indicate whether their firm / company / organization etc is registered with PIA or not. If registered then specify PIA Registration number.

B) RATES AND PRICES

- The Prices quoted must be net as per accounting unit as shown in the Tender Schedule (Exhibit B) exclusive of all duties / taxes and Government levies as applicable at the time of bidding.
- The Prices mentioned in the bid will be treated as firm till the completion of Contract.
- The Prices must be stated both **in words and figures** in PKR or USD. Additional information, if any, must be linked with entries on the Tender Schedule (Annex A).
- Foreign Bidders must bid in USD only. Local Bidders may bid in PKR as well. However one Bidder must bid in one currency only.
- Offers must be valid for 90 days. However the Bidder(s) may be requested to extend the validity of bids, in case of excusable delay.
- Rates must be written on PIA prescribed form attached as Tender Schedule, Exhibit B, otherwise Bids will not be entertained.
- Addition, deletion, correction, use of white fluid or over writing strictly not allowed otherwise tender may be out rightly rejected.

C) SUBMISSION OF TENDER

- You are required to send your sealed bids on “**Single Stage - Single Envelope Basis**” clearly mentioning “**Sale of CFM56-3, CF6-50 (Unserviceable)**” and addressed to **GM Contract Management, Supply Chain Management (Store) Building, PIAC Head Office, JIAP Karachi-75200 by November 02, 2022.** The bids may also be dropped in the tender box marked as “**Tender Box Disposal Section**” placed at the entrance of the PIA Supply Chain Management (Store) Building at mentioned address, or sent through courier, latest by **10:30 hours** on the specified date.
- Bid should be sealed with Scotch Tape, Bidder’s signature and stamp affixed.
- Incomplete, tempered bids will not be considered.
- Bids received after stipulated date & time shall not be considered. The Corporation will not be responsible for any postal delays. The decision of PIACL in this respect shall be final and binding.
- The Bids should be accompanied by a 5% (five percent) of the total bid value having been deposited in terms of a Banker’s Cheque [from any scheduled bank of Pakistan] payable at Karachi in lieu thereof in the name of **M/s PAKISTAN INTERNATIONAL AIRLINES** as interest free **Earnest Money (Refundable)**. Earnest Money in any other shape shall not be accepted. Earnest Money deposited shall not be transferable as earnest money for any other tender. Bids without Earnest Money shall not be considered. **The Earnest Money is not required from Foreign Bidders.**
- Bids will be opened at **11:00 hours** the same day **(November 02, 2022)** at Supply Chain Management (Store) Building. The Bidder(s) or their duly nominated representative(s) may witness the process, if desired so.
- Successful Bidder(s) shall have to execute the Purchase Agreement at the time of 25% Deposit.

Sign & Seal of Bidder

D) BIDS EVALUATION

- Bids will be evaluated on offered prices.
- If bids are received in both currencies, i.e. PKR and USD, rates will be converted into PKR, at the rate specified by PIA Finance on the date of bid opening, for bid evaluation purpose.

E) ACCEPTANCE OF TENDER

- Successful Bidder(s) will be notified about the same, through email (Notification). They shall have to remit 25% (twenty five percent) Deposit of the bid value within ten (10) business days of Notification, failing which PIACL may cancel/reject their offer(s).
- Remaining 75% amount is to be deposited within thirty (30) business days of Notification, failing which PIACL may cancel/reject their offer(s) and forfeit the 25% Deposit
- If the successful bidder(s) backs out of the bid at any stage, the deposited amount will not be refunded.

PIA's Right to accept any Proposal and to reject any or All Proposals

- PIACL reserves the right (without limitation to any other right whatsoever) to accept or reject any offer, or to annul the bidding process and reject all offers at any time prior to contract award without incurring any liability to the affected Bidder(s). PIACL shall communicate the grounds for its rejection of all bids, if requested; but is not required to justify those grounds.
- PIACL also reserves the right (without limitation to any other right whatsoever) to award the consolidated contract in its entirety to a single Bidder or to award it in parts to more than one Bidder without incurring any liability to the affected Bidder(s).
- Extend the date of opening (if deemed necessary).

F) INSPECTION

- All available documents related with the tendered inventory will be uploaded on the link. After closing date of the tender, PIACL will not be bound to provide any documents additional to already uploaded
- Physical Inspection, if desired, can be done on or before **November 01, 2022**. Only those bidders shall be allowed to inspect the items who have deposited the tender fee to PIA.
- For inspection, the bidders should submit three (3) copies of CNIC/Passport of the inspector on or before **October 20, 2022**.

G) Bank Details

Tender Fee of USD 500 to following Account

Bank: Citibank NA, 111 Wall Street, NY 10043, USA.

Beneficiary: Pakistan International Airlines

Account No: 38136982

Swift Code: CITIUS33.

ABA#: 021000089

Truly yours,
for **Pakistan International Airlines**

Encl:

1. Tender Form/Schedule Annex A
2. Purchase agreement Annex B

Sign & Seal of Bidder

Tender No: GMCM/INV/ENG/01/2022
 M/s. _____

 Date: **SEP 30, 2022**
 Tender Schedule Annex A

Subject: Quotation for the Purchase of Inventory

Description	Aircraft Engine – CFM56-3B		
Currency	PKR/USD (Cross out which is not applicable)		
Serial#	ESN	Offered Purchase Price	
		In Figures	In Words
1	720-232		
2	720-192		
3	720-205		
4	720-221		
5	720-452		
6	720-229		
7	720-316		
8	720-241		

Party Name:

Address:

Telephone No: _____ Fax No: _____

Email Address: _____

Seal & Signature:

Tender No: GMCM/INV/ENG/01/2022
M/s. _____

Date: **SEP 30, 2022**
Tender Schedule Annex A

Subject: Quotation for the Purchase of Inventory

Description	Aircraft Engines – CF6-50		
Currency	PKR/USD (Cross out which is not applicable)		
Serial#	ESN	Offered Purchase Price	
		In Figures	In Words
1	517-472		
2	517-212		

Party Name:

Address:

Telephone No: _____ Fax No: _____

Email Address: _____

Seal & Signature:

Annex B**AIRCRAFT INVENTORY PURCHASE AGREEMENT (DRAFT)**

This Aircraft Inventory Purchase Agreement ("Agreement") is submitted this [] day of ____ 2022
'to:

SELLER: PAKISTAN INTERNATIONAL AIRLINES CORPORATION ("PIACL")

SELLER ADDRESS: PIA Head Office, Jinnah International Airport, Karachi, Pakistan

by:

BUYER: [state of organization and type of entity]

BUYER ADDRESS:

Whereas, Seller agrees to sell and Buyer agrees to purchase inventory items, listed in Exhibit A to this Agreement at an agreed upon Purchase Price, as per Exhibit A to this Agreement.

Therefore, for and in consideration of the promises and covenants herein contained the parties hereto incorporate the recitals, including the definitions, into the terms of this Agreement and further agree to the following:

TERMS OF PURCHASE FOR BUYER**1. Subject Matter of Purchase**

Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller, inventory items (Exhibit A), referred to as "**Inventory**" here in after, as mutually accepted, in "AS IS WHERE IS" condition, at a total Purchase Price of PKR/USD _____. Here the term Inventory means the inventory with its Records, excluding any shipping material/ stand/container etc. (called as "Shipping Material" hereinafter).

The Inventory is being sold in "AS IS WHERE IS" condition and no representation or warranties, express or implied, are made by Seller as to condition and completeness.

2. Conditions

- a) Buyer agrees that Seller acknowledges that this Agreement and the purchase of the Inventory are contingent upon the Buyer's satisfaction and acceptance of the Inventory and the Records.
- b) Buyer acknowledges that the Inventory is acceptable to him. Upon execution of this Agreement, Buyer shall deposit 25% (Deposit) of the Purchase Price, without setoff or deduction of any kind, including Bank's fees/commissions etc. in the bank account as mentioned in this Agreement. Executed Agreement and SWIFT details of Deposit shall be provided to the Seller within ten (10) business days of Notification. Notification is defined as intimation, from the Seller to the Buyer, of successful bid, through email.
- c) Buyer shall deposit remaining 75% of the Purchase Price, without setoff or deduction of any kind, including Bank's fees/commissions etc., within thirty (30) business days of the Notification. During that time Buyer shall make arrangements for exporting the Inventory, including but not limited to provision of Shipping Material and shipping and customs clearance at cost of the Buyer. Bank details at Exhibit D
- d) If the Buyer fails to deposit remaining 75% of the Purchase Price within thirty (30) business days of the Notification, PIACL may cancel/reject their offer(s) and forfeit the 25% Deposit.
- e) If the successful bidder(s) backs out of the bid at any stage, the deposited amount shall not be refunded
- f) Delivery of the Inventory shall occur on or before Fifteen (15) calendar days after payment of full Purchase Price (the "Delivery Date"). Seller will allow the Inventory to be stored at its facility at no cost to Buyer for up to 60 days to allow Buyer to arrange export shipment, and to position an Inventory shipping stand/box/container at Seller's facility. Seller will help in packing the Inventory for shipment, while Shipping Material will be provided by the Buyer

- g) The delivery location shall be at the Seller premises at Jinnah International Airport, Karachi Pakistan (individually or collectively the "Delivery Location").
- h) It should be noted that after the Delivery Date, Seller shall not be bound to provide to Buyer or its representative any additional information or records for Inventory other than the Records already inspected by the Buyer or its representative, all of which will be delivered to Buyer or its authorized representative on the Delivery Date.

3. Title

Title to the Inventory shall pass to Buyer at delivery, free and clear of all liens of Seller. Title to the Inventory shall be conveyed by a bill of sale substantially in the same form as Exhibit B, attached hereto and made a part hereof (the "Bill of Sale").

4. Delivery of the Inventory and Inventory Records

- a. On or before the Delivery Date upon i) payment of confirmation of the transfer of the Purchase Price to the account designated herein, Seller shall sell, assign, transfer, convey and deliver the Inventory to Buyer or Buyer's duly authorized agent at the Delivery Location by the execution of each Bill of Sale.
- b. Upon delivery of the Inventory at the Delivery Location, Buyer shall execute and deliver to Seller an Inventory Delivery Receipt for the Inventory in the form of Exhibit C, attached hereto and made a part hereof (the "Inventory Delivery Receipt"). Upon receipt of the Inventory Delivery Receipt, Seller shall provide each original executed Bill of Sale to the Buyer or his duly authorized agent at the Delivery Location.
- c. In addition, on the Delivery Date, all Records in the possession of Seller, and as previously inspected and accepted by Buyer, shall be made available for pick up,

during normal business hours by Buyer or Buyer's duly authorized agent, at Delivery Location, at Buyer's sole cost and expense.

Buyer acknowledges that each Inventory is sold without its shipping container; and the Buyer shall provide its own Inventory shipping container, if required, for onward transportation to the Buyer. Buyer and Seller also acknowledge that the term Inventory whenever used in this Agreement shall include the Inventory and its Records, unless noted otherwise.

On the Delivery Date, Buyer acknowledges that all risk of loss, damage to or destruction of the Inventory and the Records is transferred to Buyer upon execution of each Bill of Sale by Seller. Buyer acknowledges that Inventory not removed from the Delivery Location may be subject to storage charges and that it shall be responsible for such charges commencing on the Delivery Date.

5. Warranties and Disclaimers

Seller hereby represents and warrants to Buyer that at the time of sale and delivery of the Inventory to Buyer hereunder, that (1) Seller shall have good and sufficient legal and beneficial title to the Inventory and have full power and lawful authority to transfer such title to Buyer; and (2) the Inventory shall not be subject to any mortgage, pledge, lien, charge or other encumbrance of Seller.

Seller makes no representations as to what use or application may be made to the Inventory or any part thereof in the condition in which it will be delivered, and Buyer assumes all responsibility for such repair, overhaul, alteration or modification as may be necessary for the use to which the Inventory or any parts thereof may be put to use by Buyer or any other customer of Buyer.

The Inventory, together with the Records, is being sold in "AS IS WHERE IS" condition and Seller makes no warranties, guarantees or representations of any kind with respect to the Inventory, the Records, or any parts thereof whether written, statutory, oral expressed or implied, and the Buyer hereby waives all remedies, warranties and liabilities with respect to the Inventory or any parts thereof including, but not limited to: (1) any implied warranty of merchantability of fitness for use, (2) any implied warranty arising from course of performance, course of dealing or use of trade, (3) any obligation, liability, right, claim or remedy in tort, and (4) any obligation, liability, right, claim or remedy for loss of or damage to the Inventory, for any liability of Buyer to any third party, or for

any other direct, indirect, incidental or consequential damages. Buyer acknowledges and confirms that it is relying solely on its review of the Records and its Inspection of the Inventory to determine the condition of each and confirms that Seller has made no representations, warranties or guarantees as to the condition of any Inventory or its respective Records.

6. Indemnity

Buyer hereby releases and agrees to indemnify, defend and save harmless Seller, its directors, officers, agents, and employees from and against any and all liability, damages, losses, expenses, and claims, including without limitation all reasonable attorneys' fees and all other costs and expenses in connection therewith and incident thereto, for death of or injury to any persons whomsoever, including without limitation the officers, agents, and employees of the parties hereto, and for loss of, damage to, or delay in delivery of any property whatsoever, including without limitation any aircraft on which the Inventory may be installed and loss of use of the aircraft and any other property of the parties hereto or of their officers, agents or employees, in any manner arising out of, incident to, or in connection with such Inventory or the use, operation, storage, or testing of the Inventory subsequent to delivery hereunder, regardless of the negligence, active or passive of Seller; except to the extent caused by the gross negligence or willful misconduct of Seller.

Neither Buyer nor Seller shall be liable for special, incidental, or consequential damages which may result from performance or failure to perform under the Agreement.

Seller hereby releases and agrees to indemnify and hold Buyer, its owners, directors, affiliates, officers and employees harmless from and against any and all liabilities, claims, suits, demands, damages, and losses, including, without limitation, all attorney's fees, costs, and expenses in connection therewith or incident thereto, for injuries to any person or third party, including death, and for loss of or damage to property, in any manner arising out of or in any way connected with the ownership, leasing, storage, transporting, installation, operation, overhaul, repair, maintenance, testing, use or sale of the Inventory or parts thereof occurring prior to the Delivery of the Inventory hereunder.

7. Taxes

Buyer shall be responsible for the payment of any and all taxes including sales tax, retailers tax, transfer tax, VAT (Value Added Tax), excises, duties and assessments whatsoever (except taxes levied or assessed against Seller based upon gross receipts or net income, or taxes imposed upon the privilege of doing business or exercising franchise) arising out of the sale, purchase and delivery of the Inventory, and the use, operation and disposition of same thereafter in any manner levied, assessed or imposed by any government or subdivision or agency thereof having jurisdiction shall be the sole responsibility and liability of the Buyer.

If claim is made against Seller for any taxes, excises, duties or assessment described above in this Section Seller shall promptly notify Buyer. Following receipt of such notice or upon receipt of any claim made by a taxing authority against Buyer directly, Buyer shall promptly pay and discharge when due, unless the validity or application thereof is being contested by Buyer in good faith, and any and all taxes, excises, duties and assessments, together with interest and penalties thereon, if any, the responsibility and liability for which is assumed by Buyer pursuant to this Section. Upon the written request and at the expense of Buyer, Seller shall assist Buyer in contesting the validity or application thereof, to the extent not previously reimbursed by Buyer to Seller, and any other amounts due from Seller to Buyer and hereunder. In addition to any other amounts paid by Buyer to this Section, Buyer shall pay an additional amount to Seller in order to hold Seller harmless from all taxes, of any type whatsoever, imposed against Seller as a result of any payment by Buyer pursuant to this Agreement.

8. Notices

Any notices pursuant to this Agreement shall be sent electronically by email addressed as follows:

Seller: ceebdpk@piac.aero

Buyer:

or such other email address as the parties hereto shall from time to time designate by written notice to the other party. Any such notices shall be deemed to have been effectively given and received, if transmitted electronically by email on the next business day following transmission, or if sent by registered or certified first-class mail, on the date of delivery, as shown on the return receipt and if delivered by courier service on the day delivered.

9. Applicable Law and Arbitration

The construction and legal effects of this Agreement shall be determined in accordance with the laws of, Islamic Republic of Pakistan and both parties agree to submit to the jurisdiction of the courts at Karachi. It is agreed, upon the consent of both parties herein, that service of process in any suit, action or proceeding will be deemed sufficient by electronic transmission if allowed by said courts or by certified mail, return receipt requested, at the address of each party set forth in Article 8.

10. Brokers and Finders

Seller and Buyer acknowledge that it has not used the services of any brokers in this transaction. Seller and Buyer agree that there are no third parties involved as brokers and/or finders in this transaction. Each party indemnifies the other party from liability for fees, commissions or other claims made upon the other by said third parties.

11. Miscellaneous

- a. Any warranties and representations made by either party in this Agreement shall survive the closing of the transaction and the delivery of the Inventory.
- b. The section headings contained herein are for the convenience and reference only and are not intended to define or limit the scope of any provisions of this Agreement.
- c. This Agreement contains the entire understanding of the parties with respect to the purchase and sale hereof, and no warranties, representations or undertakings have been made by either party except as expressly set forth herein. Any other previous oral or written communications, representations, agreements or understanding between the parties are no longer in force and effect and are superseded and replaced in their entirety by the provisions of this Agreement.
- d. This Agreement shall be binding upon and inure to the benefit of the respective successors by merger or acquisition of the parties, however it shall be understood that any successor shall be bound by all of the terms hereof and shall consent to same in writing.
- e. Any provision herein which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or rendering unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Seller and Buyer hereby waive any provision of law, which renders any provision hereof prohibited or unenforceable in any respect. No term or provision of this Agreement may be changed, waived or terminated orally.
- f. This Agreement may be executed in counterparts, electronically (email in pdf format) transmitted signatures shall be deemed as originals.
- g. The prevailing party in any litigation to enforce the terms of this Agreement shall be entitled to recover its reasonable and actual attorney's fees from the losing party.
- h. All Records will be in the same condition as previously viewed on the PIACL Website and accepted by the Buyer.

12. Confidentiality

This Agreement and all information contained in this Agreement are confidential and proprietary to Seller and Buyer and are solely for the internal use of the parties hereto. Disclosure to third parties is prohibited, except as otherwise stated in this Agreement, as required by law or order of a governmental authority, or as required to enforce the terms of the Agreement.

In Witness Whereof, the Buyer has executed this Agreement as of the date first shown above.

Buyer:

Signatures of Buyer:

By: Name:

Title:

In Witness Whereof, the Seller has executed this Agreement as of the day of [redacted] 2022 and Seller's execution hereof acknowledges and confirms that this Agreement shall be considered a Purchase Agreement between PIACL as Seller and as Buyer for the Inventory and the respective Records at a Purchase Price of PKR/USD _____ and subject to the terms set forth herein.

Seller: Pakistan International Airlines Corporation

Signatures of Seller:

By: Name:

Title:

**EXHIBIT A
Inventory List**

EXHIBIT B

SAMPLE BILL OF SALE— (Description of Inventory)

For and in consideration of the sum of USD [REDACTED], the receipt and sufficiency of which is hereby acknowledged by PIACL (herein "Seller"), owner of the full legal and beneficial title of the items described below:

One (1) turbine Inventory, part number Pratt & Whitney PW4152-3 in a configuration matching PIA's Installed Accessories Data List dated xxx bearing Manufacturer's Serial Number (the "Inventory"),

With all pertinent Inventory documents and records currently in the possession of Seller as more particularly described and defined in the Agreement (the "Records").The Inventory(s) is/are further described and being sold in accordance with this Purchase Agreement ("Agreement"), dated [REDACTED], 2022 between PIACL ("Seller") and ("Buyer").

Seller does hereby sell, grant, transfer and deliver full legal and beneficial title and interest in and to said Inventory, the referenced stand and its Records unto Buyer and its successors and assigns. Seller hereby warrants to Buyer, its respective successors and assigns that at the time of delivery of the Inventory to Buyer, Seller was the lawful owner of the Inventory and stand with good title thereto: that said Inventory and stand are free from all claims, liens, encumbrances and rights of Seller; that Seller has good and lawful right to sell the Inventory and its stand; that title to the Inventory and its stand are hereby conveyed to Buyer free and clear of all claims, liens, encumbrances, and rights of Seller; and further Seller covenants and agrees that it will warrant and defend such title of Seller against the claims and demands of all persons against such title whomever arising from any event or condition occurring prior to the delivery of the Inventory and its stand by Seller to Buyer; provided, however, that Seller's warranty of title and its obligation to defend title to the Inventory and stand shall not apply to any defects in title arising from Buyer's own acts.

This Inventory, together with its respective Records, is sold in "As Is, Where Is" condition and may be in modular form, and Seller makes no warranties, guarantees or representations of any kind with respect to the Inventory or any parts thereof whether written, statutory, oral expressed or implied, and the Buyer hereby waives all remedies, warranties and liabilities with respect to the Inventory or any parts thereof including, but not limited to: (1) any implied warranty of merchantability of fitness for use, (2) any implied warranty arising from course of performance, course of dealing or use of trade, (3) any obligation, liability, right, claim or remedy in tort, and (4) any obligation, liability, right, claim or remedy for loss of or damage to the Inventory, for any liability of Buyer to any third party, or for any other direct, indirect, incidental or consequential damages.

This Bill of Sale is made pursuant to the Agreement to which reference is made and which sets forth the rights and obligations of the parties.

IN WITNESS WHEREOF, we have set our hand and seal this day of [REDACTED], 2022.

SELLER: Pakistan International Airlines Corporation

By:

Name:

Title:

EXHIBIT C

SAMPLE INVENTORY DELIVERY RECEIPT —

In accordance with the terms of this Agreement fully executed on the day of [REDACTED], 2022, the undersigned, on behalf of, and as the duly authorized agent of “Buyer”) hereby acknowledges the receipt from PIACL (“Seller”) on this day of [REDACTED], 2022 of the Inventory as per Exhibit A, attached herewith Including Inventory Records.

All aforementioned items are as described in the above-referenced Agreement.

BUYER:

By:

Name:

Title:

Date: