REQUEST FOR PROPOSAL

FOR

AWARD OF CONCESSION

IN RESPECT OF THE

‘Expansion, Operation and Maintenance’ of ‘Officer’s Club Quetta’ under ‘Public-Private Partnership’ mode via ‘Design, Build, Finance, Operate and Maintain’ modality under the Balochistan Public Private Partnership Act, 2021

SEPTEMBER 19, 2025

LETTER OF INVITATION

The Government of Balochistan (GoB) intends the development, operation and maintenance of Quetta Officer's Clue (QOC) through the public private partnership modality. The intervention will be undertaken via **design, build, finance, operate and maintenance (DBFOM) modality**.

Technical details including the project scope can be examined in Volume II of this Request for Proposals (**"RFP"**).

The Implementing Agency (which jointly includes **Balochistan Public Private Partnership Authority, GoB** and the **Services & General Administration Department, GoB)**, invites the Bidders to participate in the Bidding Process and to submit their Bids for the Project in accordance with the requirements of the Applicable Evaluation Documents.

The Bidders are required to submit only one (1) Bid, comprising of one (1) original Technical Proposal and one (1) original Financial Proposal, and four (4) hard copies of each, with one (1) soft copy of each (on USBs) and other supporting documents (as applicable), as identified in the RFP, no later than ***12:00*** **hours PST (12PM)** by the Bid Submission Date at the submission address, as indicated in the Data Sheet.

The Technical Proposals will be opened on the Bid Submission Date at **13:00 hours PST (1PM)** in the presence of the representatives of the Bidders who may wish to attend. The Financial Proposals of only technically qualified Bidders will be opened and evaluated, as per the requirements of the Applicable Evaluation Documents.

All Bidders are required to furnish, as part of their Financial Proposals (in a separately sealed envelope) a Bid Security, equivalent to PKR 12,000,000/- (Pakistani Rupees Twelve Million only). The Bid Security shall be an irrevocable, bank guarantee in the form attached as Bidding Form T6 (*Form of Bid Security*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP OR CDR/Deposit at Call, issued in accordance with the requirements set out in the Instructions to Bidders.

It is mandatory for the Bids to be prepared using the standard formats for Technical Proposals and Financial Proposals, as provided in the RFP. Bids that are not prepared on the prescribed formats may not be considered by the Evaluation Committee (Technical & Finanical Evaluation Committee (**"TFEC"**)). If any information required in the prescribed forms is found missing, or written elsewhere, no credit will be given during evaluation and may lead to rejection of the Bid.

Subject to the provisions of the Applicable Evaluation Documents, the Implementing Agency reserves the right to cancel the Bidding Process at any time. The Implementing Agency may amend the RFP by issuing an addendum or a corrigendum as per the requirements specified in the RFP, at any time prior to the Bid Submission Date.

The *Interested Parties* may obtain further information in relation to the Project and acquire the RFP either: (a) physically, by submitting a written application; or (b) electronically, by sending an email, to the address / email, given below on a working day during office hours, not later than one (1) business day before the Bid Submission Date, in each case specifying its full name, address and contact details. The RFP will be made available on the website(s) of BPPPA.

All capitalized terms used herein and not otherwise defined shall have the meaning given to them in Volume I (Bidding Procedure) of the RFP.

Designation: Chief Executive Officer, BPPPA
Address: 49-A, Jinnah Town, Quetta
Phone No.: 081-250 3098

Sincerely,

Chief Executive Officer, BPPPA

IMPORTANT NOTICE

The Request for Proposals, together with all volumes, attachments, forms, annexures and appendices, attached thereto, is issued by the Implementing Agency and is provided to the recipients solely for use in preparing and submitting the Bids.

Bids submitted in response to the RFP by the Bidders shall be upon full understanding and agreement of all terms of the RFP and such submission shall be deemed as an acceptance to all the terms and conditions stated in the RFP.

The Implementing Agency does not make any representations (express or implied) or warranties as to the accuracy or completeness of the information contained in the RFP, or in any other document made available to a person in connection with the Bidding Process for the Project; and the same shall have no liability for the RFP or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Project. The Implementing Agency shall not be liable to reimburse or compensate any recipient for any costs, fees, damages or expenses incurred by the recipient in evaluating or acting upon the RFP or otherwise in connection with the Project.

The RFP shall neither constitute a solicitation to invest, or otherwise participate, in the Project, nor shall it constitute a guarantee or commitment of any manner on the part of the Implementing Agency that the Project will be awarded. The Implementing Agency reserves the right, in its full discretion, to modify the RFP and/or the Project requirements at any time to the fullest extent permitted by applicable laws and shall not be liable to reimburse or compensate the recipient for any costs, taxes, expenses or damages incurred by the recipient in such an event. The Implementing Agency makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy, adequacy, correctness, reliability and / or completeness of any assessment, assumptions, statement or information provided by it, and the Bidder shall have no claim whatsoever of any nature against the Implementing Agency in this regard.

Subject to the provisions of the Applicable Evaluation Documents, the Implementing Agency reserves the right to cancel the Bidding Process at any time. The Implementing Agency may amend the RFP by issuing an addendum or a corrigendum as per the requirements specified in the RFP, at any time prior to the Bid Submission Date.

All capitalized terms used herein and not otherwise defined shall have the meaning given to them in Volume I (Bidding Procedure) of the RFP.

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PART 1
INSTRUCTIONS TO BIDDERS

Unless otherwise specified / defined, all capitalized terms used herein shall bear the meanings set out below. References to any law, rule or regulation shall include any amendments, modifications or any re-enactment thereof.

The headings in Instructions to Bidders, including the table of contents, are for convenience of reference only and not for purposes of construction or interpretation of the Instructions to Bidders.

TERM	DEFINITION
Acceptable International Credit Rating	With respect to a person or instruments issued by such person, (a) in relation to such a person, that is rated A- or higher by S&P, A3 or higher by Moody's or A- or higher by Fitch; and (b) in relation to such an instrument, that is rated A- or higher by S&P, A3 or higher by Moody's or A- or higher by Fitch, provided that where a person or any instrument is rated by more than one of S&P, Moody's or Fitch, then the lowest rating will apply for determining whether the person or instrument has an Acceptable International Credit Rating.
Acceptable Pakistan Credit Rating	With respect to a person or instruments issued by such person: (a) in relation to such a person, that is rated AA+ or higher by PACRA or AA+ or higher by VIS; and (b) in relation to such an instrument, that is rated AA+ or higher by PACRA or AA+ or higher by VIS, provided that where a person or any instrument is rated by more than one of PACRA or VIS, then the lowest rating will apply for determining whether the person or instrument has an Acceptable Pakistan Credit Rating.
Acceptance of Notification of Award	Has the meaning given to it in Sub-Section 7.3.3 of the Instructions to Bidders.
Affiliate	With respect to a person (being the Bidder, or where the Bidder is a Consortium, each Consortium Member), means: (a) any company or entity that directly or indirectly Controls or is Controlled by, or is under common Control with a Bidder (or where the Bidder is a Consortium, a Consortium

	Member); (b) any director, senior executive or manager either of such Bidder (or where the Bidder is a Consortium, a Consortium Member) or of any company or entity referred to in paragraph (a) above; (c) any consultant, agent or representative supporting such Bidder (or where the Bidder is a Consortium, a Consortium Member) in connection with the Project (including the Bidding Process for the Project); and / or (d) any person with an aggregate ultimate beneficial interest in at least five percent (5%) of the share capital or ownership interest in a Bidder (or where the Bidder is a Consortium, a Consortium Member) (howsoever held).
Applicable Evaluation Documents	Collectively: (a) the PPP Act; (b) the PPP Rules; and (c) any applicable order, instruction, guideline, regulations or instrument issued under the PPP Act and the PPP Rules; and (d) the RFP.
Best Evaluated Bid	A Bid which is determined to be the '*best evaluated bid*' for the award of Concession in terms of the requirements of the Applicable Evaluation Documents.
Bid	The proposal (constituting the Technical Proposal and Financial Proposal) submitted by a Bidder in response to the RFP, which is prepared and submitted in accordance with this RFP.
Bidder	An Interested Party, that has submitted Bid in response to the RFP, either individually or as a Consortium.
Bidding Forms	The forms provided in Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP, that are required to be submitted with the Technical Proposals and the Financial Proposals.
Bidding Process	The competitive bidding process being conducted for the selection of the Successful Bidder for the award of the Concession for the Project.
Bid Price	[*Financial consultant to confirm the bid price definition based on the transaction structure*].

Bid Security	The security deposit that a Bidder or Lead Member (in case of a consortium) must provide, in the form of a bank guarantee or CDR/Deposit at Call issued by a scheduled commercial bank operating in Pakistan acceptable to the Procuring Agencies (with a minimum rating of 'AA-' by JCR VIS or an equivalent rating by PACRA), as applicable. For the bank guarantee, the same shall be in form and substance as attached hereto as ANNEXURE C (Form of Bid Security). The bid security shall be of an amount, in Pakistani Rupee, equal to PKR 12,000,000/- (Pakistani Rupees Twelve Million only) which shall remain valid for a period of 90 days beyond the Bid Validity Period.
Bid Submission Date	The last date for submission of Bids as specified in the Data Sheet.
Bid Validity Period	The period of *ninety (90)* days starting from the Bid Submission Date, as may be extended from time to time as per the Applicable Evaluation Documents.
Concession	Has the meaning given to it in the Concession Agreement.
Concession Agreement	The agreement titled "Concession Agreement" attached in Volume III (*Concession Agreement and Appendices*) of the RFP.
Concession Documents	The Concession Agreement with appendices;
Concession Period	Has the meaning given to it in the Concession Agreement.
Consortium	A Bidder comprised of two (2) or more Consortium Members, formed to submit the Bid.
Consortium Member(s)	Each member of a Consortium, including the Lead Member.
Consortium Undertaking	The consortium undertaking to be submitted by a Bidder, in case the Bidder is a Consortium, in accordance with the requirements of the RFP (including Annexure D (*Requirements for Consortium Undertaking*) of the Part 4 (*Annexures*) of Volume I (*Bidding Procedures*) of the RFP.
Construction Performance Security	Has the meaning given to it in the Concession Agreement.

Data Sheet	The data sheet provided in Section 9 (*Data Sheet*) of the Instructions to Bidders.
Eligible Countries	All countries of the world with whom Islamic Republic of Pakistan has commercial / trade relations and which are not subject to sanctions imposed by the United Nations Security Council.
Financial Proposal	The financial proposal (including all forms, documents and information required in terms of the RFP and submitted therewith), submitted by a Bidder as part of its Bid pursuant to the RFP.
Implementing Agency	Together the Balochistan Public Private Partnership Authority, GoB and the Services & General Administration Department, GoB.
Integrity Pact	Has the meaning given to that term in Sub-section 8.3 (*Integrity Pact*) of the Instructions to Bidders.
Interested Party	A person who has obtained the RFP in the manner as specified in the Letter of Invitation.
Lead Member	Has the meaning given to it in Sub-Section 2.12(b) of the Instructions to Bidders.
Letter of Invitation	The letter of invitation issued by the Implementing Agency and attached with the RFP
Notification of Award	The notification of award to be issued by the Implementing Agency to the Successful Bidder as per Sub-Section 7.3.1 of the Instructions to Bidders.
O&M Performance Security	Has the meaning given to it in the Concession Agreement.
PKR	Pakistani Rupees, the lawful currency of the Islamic Republic of Pakistan.
PPP	Public Private Partnership.
PPP Act	The Balochistan PPP Act, 2021 (Act No. XXV of 2021).

PPP Authority	The Balochistan PPP Authority established under Section 8 (*Establishment of the Balochistan Public Private Partnership Authority*) of the PPP Act.
PPP Rules	The Balochistan PPP Procurement Rules, 2022.
Project	Has the meaning given to it in the Concession Agreement.
PST	Pakistan Standard Time.
RFP	The Request for Proposals document issued by the Implementing Agency in relation to the Project, containing the documents specified in Sub-Section 3.1.1 of the Instructions to Bidders, and includes any amendments and / or modifications thereto.
Site	Has the meaning given to it in the Concession Agreement.
Successful Bidder	The Bidder whose Bid determined is the Best Evaluated Bid in terms of the requirements of the Applicable Evaluation Documents.
Scope of Work and Services	Means the works that the Concessionaire would have to perform during the concession period under the terms of contract and a description of such works is provided in Volume II.
Technical Proposal	The technical proposal (including all forms, documents and information required in terms of the RFP and submitted therewith), submitted by a Bidder as part of its Bid pursuant to the RFP.
TFEC / Evaluation Committee	The technical and financial evaluation committee formed in accordance with the applicable laws.

1. GENERAL

1.1 INTRODUCTION

The Government of Balochistan (GoB) intends the development, operation and maintenance of Quetta Officer's Clue (QOC) through the public private partnership modality. The intervention will be undertaken via **design, build, finance, operate and maintenance (DBFOM) modality**.

Technical details including the project scope can be examined in Volume II of this Request for Proposals (**"RFP"**).

This RFP is being issued as a part of the competitive selection process to invite the Bidders to submit its Bid with the intent to enter into a PPP Agreement for the Project.

All risks and obligations of the Implementing Agency and the Successful Bidder shall be in accordance with the RFP (including the Concession Documents) and the Bidders shall be deemed to have full and complete understanding of the risks relating to the Project and their allocation, as set out in the RFP (including the Concession Documents).

By submitting the Bid, the Bidder acknowledges the acceptance of all tax related obligations. The bidders's obligations with regards to taxation are clearly identified in the Concession Agreement. For the sake of clarity, the bidder shall be required to pay all the taxes, duties, levies, stamp duties, rents, and other charges payable to any local government, provincial or federal government (as applicable) and it would not be allowed to seek any support from the Implementing Agency if it was unaware or ignorant of any taxes, duties, levies, stamp duties, rents, and other charges.

The Implementing Agency does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information, or any information on which this RFP is based, or any other background or reference information or documents prepared and made available to the Bidders, and any liability related to such information is hereby expressly disclaimed.

Before submitting the Bids, the Bidders should carefully examine all the information provided in the RFP (including the Concession Documents).

1.2 OVERVIEW OF THE PROCUREMENT PROCESS

For the purposes of the Project, the Implementing Agency has issued the RFP for conducting the Bidding Process for the selection of a Successful Bidder for the award of the Concession, in accordance with the requirements of the Applicable Evaluation Documents.

In terms of the Applicable Evaluation Documents, the *single stage two envelope* bidding procedure has been adopted. A Bidder whose Bid is determined to be the Best Evaluated Bid, shall be awarded the Concession.

1.3 INDICATIVE SCHEDULE

The indicative timelines in relation to the Bidding Process for the Project (as may be amended by the Implementing Agency in its discretion) are as follows:

Activity	Date
Issuance of RFP	September 19, 2025
Responses to Bidder's queries	Within seven (07) days of the receipt of the query(ies).
Deadline for Clarifications	Seven (07) days prior to the Bid Submission Date.
Release Amended Bidding Documents (if required)	As required.
Bid Submission Date & Opening of Technical Proposals	October 07, 2025
Technical Bid Evaluation Report AND Invitation to the bidders pre-qualified for opening of Financial Bids	Within seven (07) days from the evaluation of the Technical Proposal.
Announcement of Bid Evaluation Results	Three (03) days from opening of the Financial Proposal.
Award of Project to Successful Bidder	Ten (10) days from the announcement of Bid Evaluation results.
Signing of the Concession Agreement	Within 30 days of the issuance of the Notification of Award, or post successful negotiation of the PPP Agreement.

* In the event of any public holiday (including a gazetted holiday) occurring on the above-mentioned dates, the immediately succeeding business day will be considered as the day on which the respective milestone shall take place.

2. ELIGIBLE BIDDERS

2.1 GENERAL REQUIREMENTS

2.1.1 A Bid received from a Bidder, shall only be considered for further evaluation in accordance with the requirements of the Applicable Evaluation Documents, if the criteria, as set out in Annexure A (*Basic Eligibility Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP, is satisfied. Any non-compliant Bid shall be rejected by the Implementing Agency/TFEC.

2.1.2 For the purposes of the RFP, a Bid may be submitted by a single entity or a Consortium. In case a Bid is submitted by a Consortium:

(a) all members of the Consortium shall be jointly and severally liable in respect of their obligations in relation to the Project;

(b) one (1) member of the Consortium shall be nominated as being in-charge and shall act the lead member (the "**Lead Member**") who shall have the authority to represent and irrevocably bind the Consortium in all matters connected with the Bidding Process, conduct all business for and on behalf of any and all Consortium Members during the Bidding Process, and in case the Consortium is awarded the Project, finalize the Concession Documents.

This authorization shall be evidenced by submitting a power of attorney in the form and substance as set out in Part B (*Power of Attorney for Appointment of Lead Member*) of Bidding Form T2 (*Form of Power of Attorney*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP), signed by legally authorized signatories of all the Consortium Members, appointed pursuant to the power of attorney in Part A (*Power of Attorney to Authorize a Person to Sign the Documents*) of Bidding Form – T2 (*Form of Power of Attorney*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP;

(c) the Bid shall contain a formal executed copy of the Consortium Undertaking complying with the laws of Pakistan and the requirements indicated in Annexure E (*Requirements for Consortium Undertaking*) and specifically appointing the Lead Member of the Consortium and identifying the roles of each Consortium Member. Following the Bid Submission Date, there shall be no change in the composition of the Consortium, by addition/withdrawal of a Consortium Member or change in percentage shareholding of any Consortium Member, except as may be permitted by the Implementing Agency in accordance with the Concession Documents; and

(d) in case the Successful Bidder is a Consortium, such Successful Bidder shall be required to comply with the requirements regarding Ownership Stake matters including transfer restrictions set out in the Concession Agreement.

2.1.3 Each Bidder shall authorize a representative who shall have the authority to represent and irrevocably bind the Bidder in all matters connected with the Bidding Process, conduct all business for and on behalf of Bidder during the Bidding Process, and in case the Bidder is awarded the Project, finalize the Concession Documents. Such authority shall be in the form of a power of attorney in favour of the authorized representative in the form attached as Part A (*Power of Attorney to Authorize a Person to Sign the Documents*) of the Bidding Form – T2 (*Form of Power of Attorney*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP.

2.1.4 A Bidder (including any Consortium Member) shall not have a conflict of interest. All Bidders (including any Consortium Members) found to have a conflict of interest shall be disqualified. the Implementing Agency will take appropriate actions to manage such conflicts of interest, which may include rejecting the Bid if it determines that a conflict of interest may affect the integrity of the Bidding Process.

The circumstances giving rise to a conflict of interest for the purposes of the Bidding Process have been set out in *Annexure A (Basic Eligibility Criteria) of Part 4 (Annexures) of Volume I (Bidding Procedure) the RFP* and such circumstances are not exhaustive. The Implementing Agency shall be the sole determinant of when a conflict of interest shall arise.

2.1.5 A Bidder (or any Consortium Member) which has been declared ineligible or has been blacklisted by any of its employers, any Federal or Provincial governmental or non-governmental department / agency in Pakistan, or any other provincial government / governments of any foreign countries or their governmental bodies as at the Bid Submission Date or thereafter, shall not be considered.

2.1.6 Each Bidder (including a Consortium Member) shall indemnify the Implementing Agency, fully in respect of any damage, cost, penalty or expense of any kind incurred by such person arising from a Bidder's or its representative (including a Consortium Member's or its representatives) breach of its obligations under the RFP.

2.1.7 A Bidder may undertake the works and / or services as contemplated in the RFP (including the Concession Documents), either itself or may sub-contract the same in accordance with the requirements set out in the RFP (including the Concession Documents). For any part of the scope of works and / or services for the Project, which the Bidder intends to sub-contract, the Bidder shall give details of the name and nationality of the proposed contractor, including the entities which are part of the proposed contractor. Proposed contractor can be single entities or may comprise a consortium. In addition, the Bidder shall include in its Bid, information establishing compliance of the proposed contractor (in case of a consortium, the consortium members) with the requirements specified in Annexure A (*Basic Eligibility Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) the RFP.

2.1.8 The Bidder shall be responsible for ensuring that any proposed contractor (including its representative(s)) complies with the requirements of RFP (including the Concession Agreement) and the applicable laws. The engagement of the Contractors for the Project shall not absolve a Bidder from its obligations under the RFP (including the Concession Documents) and the applicable laws.

2.1.9 Bidders are encouraged to submit their respective Bids after visiting the Site and ascertaining for themselves the site conditions, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws including but not limited to the Applicable Evaluation Documents and the Balochistan Environmental Protection Act 2012, the general and local conditions associated with implementing the Project and any other matter considered relevant by them. The costs and permission(s) (if any) for the purposes of visiting such site(s) shall be at the Bidder's own expense and liability. Bidders may seek prior written permission of the Implementing Agency for visiting such site(s). Regardless of the Bid and outcome of the Bidding Process, the Implementing Agency shall not be liable in any manner for any costs incurred as a result of such visit(s).

2.1.10 A Bidder or any of its representatives, personnel or agent may enter the site(s) where the works and services in relation to the Project are to be performed and undertaken, only upon the express condition that the Bidder, its representatives, its personnel and agents will release and indemnify the Implementing Agency and its representatives, personnel and agents from and against all liability in respect thereof, and the Bidder will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.

2.1.11 A Bidder is expected to examine all instructions, forms, terms and specifications in the RFP. Failure to furnish all information or documentation required by the RFP may result in the rejection of the Bid.

3. RFP DOCUMENT

3.1 CONTENTS OF THE RFP

3.1.1 The RFP comprises the documents stated below and should be read in conjunction with any addendum issued in accordance with Sub-Section 3.4 (*Amendment of RFP*) of the Instructions to Bidders.

(A) VOLUME I – BIDDING PROCEDURE

(a) Part 1 – Instructions to Bidders.
(b) Part 2 – Bidding Forms.
(c) Part 3 – Bidding Documentary Requirements.
(d) Part 4 – Annexures

(i) Basic Eligibility Criteria (Annexure A);
(ii) Evaluation Criteria (Annexure B);
(iii) Form of Construction Performance Security (Annexure C); and
(iv) Requirements for Consortium Undertaking (Annexure D).

(B) VOLUME II – PROJECT SCOPE

(a) Part 1 – Project Description.
(b) Part 2 – Scope of Works and Services; and
(c) Part 3 – Annexures

(C) VOLUME III – CONCESSION AGREEMENT AND APPENDICES

Concession Agreement with Appendices.

3.1.2 The Bidding Forms comprise the forms stated below and should be read in conjunction with any addendum issued in accordance with Sub-Section 3.4 (*Amendment to RFP*) of the Instructions to Bidders:

(A) For the Technical Proposal:

(a) Bidding Form T1 – Letter of Technical Proposal;
(b) Bidding Form T2 – Form of Power of Attorney;
(c) Bidding Form T3 – Form of Affidavit;
(d) Bidding Form T4 – Basic Information Form;
(e) Bidding Form T5 – Historical Non-Performance and Pending Litigation;
(f) Bidding Form T6 – Form of Bid Security;

(B) For the Financial Proposal

(a) Form Fin 1 – Financial Model
(b) Form Fin 2 – Quotation – Revenue Share Percentage
(c) Form Fin 3 – Quotation – Revenue Share

3.2 COMPLETENESS OF RFP

3.2.1 The Implementing Agency shall not be responsible for the completeness of the documents comprising the RFP and its addenda / corrigenda, if a Bidder has not obtained the same directly from the source(s) stated by the Implementing Agency in the Letter of Invitation.

3.2.2 Bidders are expected to carefully examine all instructions, forms and terms in the RFP and to furnish all information or documentation required pursuant to the RFP. Failure to comply with the requirements of Bid submission set out in the RFP will be at the Bidders' own risk and may result in the rejection of the Bid. Pursuant to Sub-Section 6.2.3 (*Determination of Responsiveness of Bids*) of the Instructions to Bidders, Bids which are not responsive to the requirements of the RFP shall be rejected.

3.3 CLARIFICATIONS OF RFP

3.3.1 An Interested Party requiring any clarification pertaining to the RFP shall contact the Implementing Agency in writing, at address or through email provided in the Data Sheet or raise its enquiries during the Pre-Bid Meeting(s). the Implementing Agency will respond in writing to any request for clarification provided that such request is received no later than *Seven (07) days* prior to the Bid Submission Date. The response shall be communicated to all the Interested Parties. Should the Implementing Agency deem it necessary to amend the RFP as a result of a request for clarification, it shall do so following the procedure under Sub-Section 3.4 (*Amendment of RFP*) of the Instructions to Bidders. No markup of the RFP (including the Concession Documents and / or other documents / instruments attached to the RFP) shall be accepted.

3.4 AMENDMENT OF RFP

3.4.1 At any time prior to the Bid Submission Date, the Implementing Agency may amend the RFP by issuing an addendum / corrigendum.

3.4.2 Any addendum / corrigendum issued shall be part of the RFP. Such addendum / corrigendum shall be communicated to all the Bidders and shall be published in widely circulated *national* dailies and on the websites mentioned in earlier section of this RFP.

3.4.3 The Implementing Agency may, at its discretion, extend the Bid Submission Date in accordance with the Applicable Evaluation Documents, if it considers that as a result of issuance of any addendum / corrigendum, additional time will be required by the Bidders for preparation of their Bids.

4. PREPARATION OF BIDS

4.1 COSTS FOR BIDS

Bidders shall bear all costs associated with the preparation and submission of their Bids, including, without limitation, all costs and expenses relating to preparation of responses to any clarifications sought by the Implementing Agency in accordance with Sub-Section 6.1.1 of the Instructions to Bidders. the Implementing Agency shall in no case be responsible or liable for such costs, regardless of the conduct or outcome of the Bidding Process.

4.2 LANGUAGE OF THE BIDS

The Bid, and all correspondence and documents related to the Bid and the Bidding Process between the Bidder and the Implementing Agency shall be written in the English language. In case any document / information furnished by the Bidder is in a language other than English, it will need to be accompanied by an English translation (duly notarized by Notary Public and attested by Pakistan Embassy / Consulate in the country of origin, and once brought into Pakistan, to be attested / stamped by the Ministry of Foreign Affairs, Pakistan) of its pertinent passages for the purposes of interpretation of the Bid. In case of any discrepancy, the English translation shall prevail.

4.3 DOCUMENTS COMPRISING THE BID

4.3.1 The Bid shall comprise a Technical Proposal, containing the documents listed in Sub-Section 4.4 (*Technical Proposal*) of the Instructions to Bidders, and a Financial Proposal, containing the documents listed in Sub-Section 4.5 (*Financial Proposal*) of the Instructions to Bidders, each submitted simultaneously in separately sealed envelopes clearly marked "TECHNICAL PROPOSAL" and "FINANCIAL PROPOSAL" respectively, in accordance with manner provided herein.

4.3.2 Bidders are expected to carefully examine the RFP when preparing their Bids and use only the Bidding Forms specified in Sub-Section 3.1.2 of the Instructions to Bidders. Bidding Forms must be completed without any alterations to the text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested. Any deviations / omissions / reservations from the formats provided in the RFP shall not be accepted and may form basis for the rejection of the Bid. Material deficiencies in providing the information requested may result in rejection of a Bid.

4.3.3 In case a document required to be submitted as part of the Technical Proposal, is submitted with the Financial Proposal; or a document required to be submitted with the Financial Proposal, is submitted with the Technical Proposal, it shall not be considered for evaluation and such document shall be considered as not submitted by the Bidder.

4.4 TECHNICAL PROPOSAL

4.4.1 The Technical Proposal shall demonstrate the Bidder's unconditional acceptance of the complete scope of works and services under the RFP. Any material omission, reservation, deviation or condition attached in the Technical Proposal may cause the Bid to be rejected by TFEC as non-responsive. Under no circumstances shall the TFEC consider / accept a conditional Technical Proposal or a Financial Proposal.

4.4.2 The Technical Proposal submitted by the Bidder shall include the following information:

(a) signed and filled out 'Letter of Technical Proposal', as set out in Bidding Form T1 (*Letter of Technical Proposal)* of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(b) authorization in the form of a power of attorney on behalf of the Bidder, and in case of a Consortium, each Consortium Member, authorizing its representative to sign the relevant documents as per the requirements of the RFP, on its behalf, in the format attached as Part A (*Power of Attorney to Authorize A Person to Sign the Documents*) of Bidding Form T2 (*Form of Power of Attorney*) of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(c) in case the Bidder is a Consortium, a power of attorney, to be executed by the authorized representatives of the Consortium Members, in favour of the Lead Member, to authorize it to represent and bind all Consortium Members, as set out in the form attached as Part B (*Power of Attorney to authorize the Lead Member*) of Bidding Form T2 (*Form of Power of Attorney*) of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(d) in case the Bidder is a Consortium, Consortium Undertaking prepared and executed based on the requirements set out in Annexure E (*Requirements for Consortium Undertaking*), of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP;

(e) an affidavit from the Bidder (in case of Consortium, each Consortium Member), in the form and substance as set out in Bidding Form T3 *(Form of Affidavit)* of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(f) basic information form, in the form and substance as set out in Bidding Form T3 *(Basic Information Form)* of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(g) all the information, along with the documents evidencing compliance with the eligibility criteria for Bidders set out in Annexure A (*Basic Eligibility Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP;

(h) following Bidding Forms, specified in Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP, each prepared as per the requirements and containing the details specified therein:

(i) Bid Security, as set out in Bidding Form T6 (*Form of Bid Security*), in accordance with Section 4.7 (*Bid Security*) of the Instructions to Bidders;

(ii) Bidding Form T7 (*[Technical Forms to be submitted as part of Technical Proposal to be listed]*);

(i) any other documents required under the RFP.

4.4.3 The Technical Proposal shall not include any direct or indirect financial information relating to the Financial Proposal. Technical Proposal having such financial information shall be declared non-responsive.

4.5 FINANCIAL PROPOSAL

4.5.1 In preparing the Financial Proposals, Bidders are expected to fully understand the requirements and conditions set out in the RFP, including all contractual obligations of the Implementing Agency, the Successful Bidder under the Concession Documents (as applicable) and the scope of works and services to be performed by the bidder (as the concessionaire) in relation to the Project.

4.5.2 Any omission, reservation, deviation or condition included in the Financial Proposal to the contrary shall cause the Bid to be rejected by TFEC as non-responsive. Under no circumstances shall TFEC consider / accept a conditional Financial Proposal.

4.5.3 The Financial Proposal submitted by the Bidder shall comprise the following:

(a) signed and filled out Letter of Financial Proposal, as set out in Bidding Form F1 (*Letter of Financial Proposal*) of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(b) information as required in the relevant forms as set out in Bidding Form F2 (*Financial Forms*) of Part 2 *(Bidding Forms)* of Volume I (*Bidding Procedure*) of the RFP;

(c) financial model with the working of the bidder and

(d) any other document required in the RFP.

4.6 CURRENCIES OF BID AND PAYMENT

4.6.1 All Bids and other supporting documents shall be typed in the English language and state all monetary amounts in Pakistan Rupees (PKR).

4.7 BID SECURITY

4.7.1 The Bidder shall furnish, as part of the Financial Proposal, in a separately sealed envelope, a Bid Security equivalent to PKR 12,000,000/- (Pakistani Rupee Twelve Million only) (the "**Bid Security**").

4.7.2 The Bid Security shall be an irrevocable, bank guarantee in the form attached as Bidding Form T6 (*Form of Bid Security*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP.

4.7.3 The Bid Security shall be issued and maintained in PKR by a scheduled bank in Pakistan or a foreign bank outside Pakistan, in each case, having the Minimum Credit Rating at all times, acceptable to the Implementing Agency. Where the Bid Security is issued by a foreign bank outside Pakistan, such Bid Security shall be counter-guaranteed / confirmed by a scheduled bank in Pakistan (having the Minimum Credit Rating at all times, acceptable to the Implementing Agency).

4.7.4 The Bid Security shall be valid until *twenty-eight (28)* days following the Bid Validity Period, as may be extended in accordance with Sub-Section 4.8.2 of the Instructions to Bidders. If the Construction Performance Security has not been issued by the Successful Bidder seven (7) days prior to the expiry of the Bid Security, then the Successful Bidder shall extend the Bid Security until such date as notified by the Implementing Agency.

4.7.5 Any Bid not accompanied by a compliant Bid Security (as exclusively determined by the Implementing Agency / TFEC), shall be rejected by TFEC as non-responsive and the Bidder shall not be allowed to submit Bid Security at a later stage. The Bid Security issued by a foreign bank and not counter-guaranteed / confirmed from a local scheduled bank in Pakistan shall result in the rejection of the Bid.

4.7.6 Bidders are required to submit the original Bid Security with their original Technical Proposals. TFEC shall reject a Bid if only a photocopy of original Bid Security is attached with the original Technical Proposal and such Bid may not be further evaluated.

4.7.7 The Bid Security of the unsuccessful Bidders shall be returned as soon as reasonably possible once the Successful Bidder furnishes the Construction Performance Security pursuant to Sub-Section 7.5 (*Performance Security*) of the Instructions to Bidders.

4.7.8 The Bid Security of the Successful Bidder shall be returned as soon as reasonably possible once the Successful Bidder has furnished the required Performance Security pursuant to Sub-Section 7.5 (*Performance Security*) and has signed the Concession Agreement pursuant to Sub-Section 7.6 (*Signing of the Concession Agreement*), each of the Instructions to Bidders.

4.7.9 The Bid Security shall be forfeited:

(I) if a Bidder:

(a) withdraws its Bid during the Bid Validity Period (except as provided in Sub-Section 5.4.4 of the Instructions to Bidders);

(b) is found to be engaged in any corrupt and fraudulent practices;

(c) is found to be blacklisted by any agency of the Federal or Provincial Government;

(d) does not accept the arithmetical corrections of its Bid in accordance with Sub-Section 6.2.2.4 of the Instructions to Bidders; and / or

(e) fails to fulfil its obligations under the RFP in terms thereof.

(II) if the Successful Bidder, as applicable:

(a) fails to sign the Concession Agreement, in accordance with Sub-Section 7.6 (*Signing of the Concession Agreement*) of the Instructions to Bidders;

(b) fails to furnish Performance Security pursuant to Sub-Section 7.5 (*Performance Security*) of the Instructions to Bidders; and / or

(c) fails to comply with the requirements set out in the Notification of Award.]

4.7.10 The Bid Security is required to protect the Implementing Agency against the risk of Bidder's conduct which would warrant the Bid Security's forfeiture, pursuant to Sub-Section 4.7.9 of the Instructions to Bidders.

4.8 BID VALIDITY

4.8.1 Bids shall remain valid for the Bid Validity Period, as may be extended by the Implementing Agency in accordance with Sub-Section 4.8.2 of the Instructions to Bidders. A Bid valid for a shorter period shall be rejected as being non-responsive.

4.8.2 In exceptional circumstances, prior to the expiration of the Bid Validity Period, the Implementing Agency may request all Bidders to extend the period of validity of their Bids. Any such request by the Implementing Agency with respect to extension of the Bid Validity Period and the response by the Bidder shall be in writing. The Bid Security requested in accordance with Sub-Section 4.7 (*Bid Security*) of the Instructions to Bidders, shall also be extended accordingly for a corresponding period not exceeding the original Bid Validity Period. Extension of Bid Security may be requested upon the extension the period of Bid Validity Period. A Bidder may refuse the request following which such Bidder's Bid will be disqualified and its Bid Security shall be returned without forfeiture. A Bidder accepting the request shall not be required or permitted to modify its Bid.

4.9 MANNER OF SIGNING OF BID

4.9.1 The Bidder shall prepare one (1) original of the Technical Proposal and one (1) original of the Financial Proposal comprising the Bid as described in Sub-Section 4.3 (*Documents Comprising the Bid*) of the Instructions to Bidders, and clearly mark each as "ORIGINAL – TECHNICAL PROPOSAL" and "ORIGINAL – FINANCIAL PROPOSAL", respectively, in addition to the marking stipulated in Sub-Section 4.3 (*Documents Comprising the Bid*) of the Instructions to Bidders. The Bidder shall submit as "COPY" four (4) hard copies, printable softcopies (PDF), and editable soft copies (MS Word, MS Excel etc., as may be relevant). The USBs should be clearly marked "Technical Proposal" and "Financial Proposal" and placed in their respective envelopes containing the Technical Proposal and the Financial Proposal marked as "ELECTRONIC COPY". In the event of any discrepancy between the original and the copies, the original shall prevail. Note that the Bid Security is required to be submitted in a sealed envelope, separately in the envelope marked as "Technical Proposal".

4.9.2 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person duly authorised to sign on behalf of the Bidder. This authorization shall consist of a written power of attorney, as set out in Bidding Form T2 (*Form of Power of Attorney*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of the RFP, as per the requirements set out in the Instructions to Bidders. This authorization must contain the name and position held by each person signing the authorization and name and position of the authorised signatory.

4.9.3 The hard copy of each Bid should be bound in the hard book binding form to avoid the possibility of removal or insertion of page(s). All pages of the Bid must be signed and stamped in original by the Bidder's authorized representative. All the pages must be numbered starting from the first page to the last. Any Bid not substantially adhering to these requirements may be rejected by TFEC.

4.9.4 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the authorized representative signing the Bid.

4.9.5 The Implementing Agency / TFEC reserves the right to reject a Bid which does not meet the requirements in Sub-Section 4.9 (*Manner of Signing of Bid*) of the Instructions to Bidders.

5. SUBMISSION AND OPENING OF BIDS

5.1 SEALING, MARKING AND SUBMISSION OF BIDS

5.1.1 In accordance with Sub-Section 4.9.1 of the Instructions to Bidders, each Bid shall be in a separate envelope indicating the Bid as original or copy clearly marked as "ORIGINAL" and "COPY", as appropriate. The Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" and the Financial Proposal in the sealed envelope clearly marked "FINANCIAL PROPOSAL". These two envelopes, in turn, shall be sealed in an outer envelope bearing the address for Bid submission indicated in the Data Sheet. The envelope shall be clearly marked: "DO NOT OPEN, EXCEPT IN PRESENCE OF TFEC".

The outer envelope of the Technical Proposal shall bear a warning not to open the envelope before the Bid Submission Date. The outer envelope of the Financial Proposal shall bear a warning not to open the envelope before the Technical Proposal has been evaluated. Any Bidder (including a Consortium Member) who submits or participates in more than one (1) Bid shall be disqualified. The inner and outer envelopes of the Technical Proposal and the Financial Proposal shall bear the name of the Bidder and be addressed to the Implementing Agency and shall the mention the name of the Project.

5.1.2 If all the envelopes are not sealed and marked as required, the Implementing Agency / TFEC shall not assume any responsibility for the misplacement or premature opening of the Bid. In case of such misplacement of Bids or premature opening of Bid which results in disclosure of any direct or indirect financial information prior to the scheduled opening of the Financial Proposal, the Bid shall be rejected by TFEC as non-responsive.

5.1.3 All Bidding Forms forming part of the Technical Proposal and the Financial Proposal, as specified in the RFP are to be properly completed and signed. No alteration is to be made in the Letter of Financial Proposal, Letter of Technical Proposal or in the Bidding Forms, except in filling up the blanks as directed. If any alteration is made or if these instructions have not been fully complied with, the Bid shall be rejected.

5.1.4 Bids shall be submitted by the Bidders: (i) through courier / express mail; or (ii) by hand at the address indicated in the Data Sheet.

5.2 DEADLINE FOR SUBMISSION

5.2.1 Bids must be received by the Implementing Agency no later than the Bid Submission Date at the address provided in the Data Sheet.

5.2.2 Bids received after *1200 PST* hours (PST) on the Bid Submission Date will be returned to the sender unopened. Bidders are responsible for ensuring that their Bids are timely submitted at the address provided in the Data Sheet. Any Bid or any document received by the Implementing Agency after the Bid Submission Date shall be declared late, rejected, and returned unopened to the Bidder.

5.2.3 No arrangements shall be made by the Implementing Agency with Bidders for collection of the Bids from any delivery point. Bidders shall bear all expenses incurred in the preparation and delivery of Bids. No claims for refund of any expense shall be entertained.

5.2.4 Where delivery of the Bid is by courier / express mail and Bidder wishes to receive an acknowledgment of receipt of such Bid, the Bidder shall make a request for such acknowledgement in a separate letter attached to (but not included in) the sealed Bid.

5.2.5 The Implementing Agency may, at its discretion, extend the Bid Submission Date by issuing an addendum in accordance with Sub-Section 3.4 (*Amendment of RFP*) of the Instructions to Bidders, in which case all rights and obligations of the Implementing Agency and the Bidders previously subject to the earlier Bid Submission Date shall thereafter be subject to extended Bid Submission Date.

5.2.6 Delays in the mail, delays of person(s) in transit, or delivery of a Bid to an incorrect location, shall not be accepted as an excuse for failure to deliver a Bid at the proper place and time. It shall be the Bidder's responsibility to ensure delivery of its Bid in a timely manner.

5.3 MODIFICATION, SUBSTITUTION AND WITHDRAWAL OF BIDS

5.3.1 Any Bidder may modify, substitute, or withdraw its Bid after submission provided that written notice, duly signed by authorised representative, for the modification, substitution or withdrawal is received by the Implementing Agency prior to the Bid Submission Date.

5.3.2 The notice for modification, substitution or withdrawal of any Bid shall be prepared, sealed, marked and delivered in accordance with the provisions applicable to the original Bid with additional marking of "MODIFICATION" or "SUBSTITUTION" on all envelopes in case of modification or substitution, or "WITHDRAWAL" on the envelope containing the notice, in case of withdrawal.

5.3.3 Withdrawal of a Bid during the interval between the Bid Submission Date and the expiration of the Bid Validity Period (or any extension thereof) thereof pursuant to Sub-Section 4.8.2 of the Instructions to Bidders) shall result in forfeiture of the Bid Security pursuant to Sub-Section 4.7.9 of the Instructions to Bidders.

5.3.4 Bids requested to be withdrawn in accordance with Sub-Section 5.3.1 of the Instructions to Bidders shall be returned unopened to the requesting Bidder(s) on the Bid Submission Date.

5.3.5 After the Bid Submission Date, no changes to the Concession Documents shall be permitted other than those requested by the Implementing Agency and agreed to by the Bidder and inclusion of details of the Successful Bidder (to whom the Concession is awarded) and any other information that was incomplete prior to the Bid Submission Date.

5.3.6 Bids submitted in response to the RFP by the Bidders shall be upon full understanding and agreement of all terms of the RFP (including the Concession Documents) and such submission shall be deemed as an acceptance to all the terms and conditions stated in the RFP (including the Concession Documents).

5.4 OPENING OF BIDS

5.4.1 TFEC and the Implementing Agency shall conduct the opening of Technical Proposals on the same day as the Bid Submission Date at time and address provided in the Data Sheet, in the presence of Bidders' designated representatives who choose to attend.

5.4.2 If the Technical Proposal and the Financial Proposal are submitted together in one envelope, other than as specified in the Instructions to Bidders, TFEC may reject the entire Bid. If any document, required to be submitted with Technical Proposal, is submitted with the Financial Proposal, or if any document required to be submitted with the Financial Proposal is submitted with the Technical Proposal, such document shall not be considered for evaluation and may also form the basis of rejection of a Bid.

5.4.3 The Financial Proposals shall remain unopened and will be held in custody of the Implementing Agency until the specified time of their opening, as communicated by the Implementing Agency to the Bidders.

5.4.4 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the inner envelope with the corresponding Bid shall not be opened but returned to the Bidder. No Bid shall be withdrawn unless the corresponding withdrawal notice contains a valid authorization by the Bidder to request the withdrawal and is read out during the Bid opening.

5.4.5 Second, outer envelopes marked "SUBSTITUTION" shall be opened. The inner envelopes containing the substitute Technical Proposal and / or substitute Financial Proposal shall be exchanged for the corresponding envelopes being substituted, which shall be returned to the Bidder unopened. Only the substituted Technical Proposal, if any, shall be opened, read out, and recorded. Substituted Financial Proposal, if any, will remain unopened in accordance with Sub-Section 5.4.3 of the Instructions to Bidders. No Bid shall be substituted unless a valid authorization by the Bidder to request the substitution is submitted and is read out and recorded during the Bid opening.

5.4.6 Next, outer envelopes marked "MODIFICATION" shall be opened. The original Technical Proposal shall be opened, read out, and recorded, followed by the opening, reading out and recording of the modification to the Technical Proposal. Any modification to the Financial Proposal shall remain unopened in accordance with Sub-section 5.4.3 of the Instructions to Bidders. No Bid shall be modified unless a valid authorization by the Bidder to request the modification is submitted and is read out and recorded during the Bid opening.

5.4.7 All other envelopes holding the Technical Proposals shall be opened one at a time, and the following read out and recorded:

(a) the name of the Bidder;

(b) the presence and value of the Bid Security;

(c) whether there is a modification or substitution; and

(d) any other details as the Implementing Agency may consider appropriate.

5.4.8 Only Technical Proposals which are read out and recorded during the Bid opening shall be considered for evaluation as per the requirements of the RFP. No Bid shall be rejected at the time of opening of Technical Proposals except for late Bids, in accordance with Sub-Section 5.2.2 of the Instructions to Bidders.

5.4.9 TFEC shall prepare a record of the opening of Technical Proposals, that shall include, as a minimum: the name of the Bidder, presence or absence and the value of Bid Security and whether there is a withdrawal, substitution, or modification. The Bidders' representatives who are present shall be requested to sign the attendance sheet. The omission of a Bidder's signature on the attendance sheet shall not invalidate the contents and effect of the record.

5.4.10 At the end of the evaluation of the Technical Proposals, TFEC shall invite Bidders who have submitted responsive Technical Proposals pursuant to the requirements of the RFP and who have been determined as technically qualified for award of Concession to attend the opening of the Financial Proposals. The date, time, and location of the opening of Financial Proposals shall be advised in writing by the Implementing Agency.

5.4.11 The Implementing Agency shall notify in writing at any time prior to the opening of the Financial Proposals, the Bidders who have been rejected on the grounds of their Technical Proposals not being responsive to the requirements of the RFP. Such Bidders shall be required to collect their Financial Proposals unopened from the Implementing Agency on the date notified by the Implementing Agency.

5.4.12 TFEC shall conduct the opening of Financial Proposals of all Bidders who have technically qualified, in the presence of Bidders' representatives who choose to attend at the address, date and time specified by the Implementing Agency. The Bidders' representatives who are present shall be requested to sign an attendance sheet/ register evidencing their attendance.

5.4.13 Financial Proposals of the Bidders shall be opened one at a time and the following shall be read out and recorded:

(a) the name of the Bidder;

(b) whether there is a modification or substitution;

(c) the Bid Price; and

(d) any other details as the Implementing Agency may consider appropriate.

5.4.14 Only the Financial Proposals which are read out and recorded during the opening of Financial Proposals shall be considered for evaluation. No Financial Proposal shall be rejected at the time of opening of Financial Proposals.

5.4.15 *TFEC shall prepare a record of the opening of Financial Proposals that shall include, as a minimum: the name of the Bidder and the Bid Price. The Bidders' representatives who are present shall be requested to sign the attendance sheet. The omission of a Bidder's signature on the attendance sheet shall not invalidate the contents and effect of the record.*

6. CLARIFICATION AND EVALUATION OF BIDS

6.1 CLARIFICATION OF BIDS

6.1.1 To assist in the examination, evaluation and comparison of the Technical Proposals and / or Financial Proposals, TFEC may, at its discretion, ask the Bidders for any clarification, additional information or supporting documentation in respect of any matter associated with the documentation submitted by the Bidders in their Bids. Any such request and the response shall be in writing. No change in the price in the Financial Proposals or substance of the Bid shall be sought, offered or permitted except to confirm the correction of arithmetic errors discovered by TFEC in the evaluation of the Bids, in accordance with Sub-Section 6.2.2.4 of the Instructions to Bidders.

6.1.2 If a Bidder does not provide clarifications of the information requested by the date and time set in TFEC's request for clarification, its Bid shall be rejected.

6.2 EVALUATION OF BIDS

6.2.1 During the evaluation of Bids, the following definitions apply:

(a) *"Deviation"* is a departure from the requirements specified in the RFP;

(b) *"Reservation"* is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the RFP; and

(c) *"Omission"* is the failure to submit part, or all of the information or documentation required in the RFP.

6.2.2 **PRELIMINARY EXAMINATION OF BIDS**

6.2.2.1 Prior to the detailed evaluation of Bids pursuant to Sub-Section 6.2.3 (*Determination of Responsiveness of Bids*) of the Instructions to Bidders, TFEC shall examine each Bid to determine whether:

(a) the Bid is complete and does not deviate from the scope of works and services to be performed in relation to the Project;

(b) any computational errors have been made;

(c) required sureties (including the Bid Security) have been furnished;

(d) documents have been properly signed;

(e) valid authorization(s) is / are present;

(f) the Bid is valid till the Bid Validity Period; and

(g) the Bidder is compliant with the basic eligibility requirements set out in Annexure A (*Basic Eligibility Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP.

6.2.2.2 Prior to conducting detailed evaluation of Bids pursuant to Sub-Section 6.2.3 (*Determination of Responsiveness of Bids*) of the Instructions to Bidders, TFEC shall examine each Bid as follows, and a Bid may not be considered acceptable if:

(a) it is unsigned; or

(b) its validity is less than the Bid Validity Period.

6.2.2.3 Prior to the detailed evaluation of Bids pursuant to Sub-Section 6.2.3 (*Determination of Responsiveness of Bids*) of the Instructions to Bidders, TFEC shall examine each Bid as follows, and a Bid shall not be considered acceptable if:

(a) it is not accompanied by a Bid Security;

(b) it is received after the Bid Submission Date;

(c) it is submitted through fax, email, or any other form of electronic transmission;

(d) the Bidder refuses to accept arithmetic correction(s); or

(e) it materially deviates from the requirements of the RFP.

6.2.2.4 During the evaluation of Financial Proposals, the Implementing Agency / TFEC shall correct arithmetical errors on the following basis:

(a) the relevant input amount and the output (i.e., total) amount in any Bidding Form, due to any error in calculation, the relevant input amount shall prevail, and the output (i.e., total) amount shall be corrected; and

(b) the words and figures, the amount in words shall prevail.

6.2.2.5 If the Bidder does not accept the corrected amount of the Bid, its Bid shall be rejected, and its Bid Security shall be forfeited.

6.2.3 DETERMINATION OF RESPONSIVENESS OF BIDS

6.2.3.1 TFEC shall determine the responsiveness of each Bid to the RFP. The Technical Proposals that conform to all the terms and conditions of the RFP without material deviations, reservations or omissions shall be declared responsive. A material deviation, reservation or omission is one that:

(a) if accepted, would:

(i) affect in any substantial way the scope, quality, or performance of the works and services in relation to the Project as specified in the RFP; or

(ii) limit in any substantial way the Implementing Agency's rights or the Bidder's or the successful bidder's obligations under the RFP; or

(b) if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive Technical Proposals.

6.2.3.2 TFEC's determination of a Bid's responsiveness may be based on the contents of the Bid itself without recourse to extrinsic evidence.

6.2.3.3 Any minor non-conformity or irregularity in a Technical Proposal that does not constitute a material deviation, reservation or omission may be waived by the Implementing Agency or required by the Implementing Agency to be rectified, provided such waiver or rectification does not prejudice or affect unfairly the competitive position of other responsive Technical Proposals.

6.2.3.4 Provided that a Bid is substantially responsive, TFEC may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify non-material non-conformities in the Bid related to documentation requirements. Requesting information or documentation on such non-conformities shall not be related to any aspect of the Financial Proposal. Failure of the Bidder to comply with the request may result in the rejection of its Bid.

6.2.3.5 If a Technical Proposal is not substantially responsive to the requirements of the RFP, it shall be rejected by TFEC and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.

6.2.3.6 A responsive Financial Proposal is one which meets the requirements of the RFP without any deviation, reservation or omission. No change in the Financial Proposals shall be allowed and shall be evaluated as per the information provided by the Bidders. A non-responsive Financial Proposal may not subsequently be made responsive by correction of the deviation, reservation, or omission.

6.2.4 EVALUATION CRITERIA

6.2.4.1 Bids of only those Bidders shall be considered who meet the basic eligibility criteria set forth in Annexure A (*Basic Eligibility Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP.

6.2.4.2 In addition, and subject to the requirements set out in Sub-Section 6.2.2 (*Preliminary Examination of Bids*) and Sub-Section 6.2.3 (*Determination of Responsiveness of Bids*) each of the Instructions to Bidders, the Bidders shall be evaluated against the evaluation criteria for the Technical Proposals and the Financial Proposals set out in Annexure B (*Evaluation Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP.

6.2.4.3 The TFEC shall attribute a technical score to responsive Technical Proposals.

6.2.4.4 Technical Proposals scoring less than 70 points shall be rejected. The technical score shall be calculated as follows:

SR. NO.	CRITERIA	WEIGHTAGE/ MARKS
A.	Financial Soundness	30 points
B.	Experience in Hospitality Sector	50 points
C.	Methodology and Work Plan	05 Points
D.	Key Professionals	15 Points
	Total	**100 Points**

For technical qualification, a Bidder must score at least *seventy (70)* or more marks. The detailed technical evaluation criteria for Technical Proposal is set out in Annexure B (*Evaluation Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP.

6.2.4.5 After complete evaluation of the Technical Proposals, the Financial Proposals of the Bidders, who have been qualified technically, shall be evaluated as per the requirements set out in Volume I (*Bidding Procedure*) of the RFP.

6.2.4.6 Financial evaluation of bids will be based on highest revenue sharing with the Government of Balochistan on net present value basis and such bid shall be declared as the 'most advantageous bid'.

6.2.5 SUCCESSFUL BIDDER

6.2.5.1 The Bidder whose Bid is determined to be the Best Evaluated Bid in terms of the Applicable Evaluation Documents, shall be declared the Most Advantageous Bidder.

6.2.5.2 If a Financial Proposal, in the opinion of TFEC, is seriously unbalanced or is seen to unfairly exploit the evaluation mechanism, TFEC may require the relevant Bidder to produce detailed price analysis for any or all items of the Bid, to demonstrate the internal consistency of those prices. After evaluation of the price analysis, taking into consideration the terms of payments, the Implementing Agency / TFEC may require the Bidder to rationalize the costs and / or terms of payments.

6.2.6 THE IMPLEMENTING AGENCY'S RIGHT TO VERIFY DOCUMENTS

The Implementing Agency retains the right to verify particulars regarding any information, statements and / or documents furnished with a Bid. Any Bidder found to be misrepresenting information may be disqualified at any stage of the Bidding Process and their Bid Security shall be forfeited.

7. AWARD OF CONCESSION

7.1 AWARD CRITERIA

7.1.1 Subject to Sub-Section 7.2 (*Implementing Agency's Right to Accept / Reject Bids*), the Implementing Agency shall award the Concession to the Bidder whose Bid has been determined to be the Best Evaluated Bid in terms of the requirements of the Applicable Evaluation Documents.

7.2 IMPLEMENTING AGENCY'S RIGHT TO ACCEPT / REJECT BIDS

7.2.1 No Bid shall be considered to have been accepted, unless such acceptance is confirmed in writing and notified to the Successful Bidder by the Implementing Agency.

7.2.2 The Implementing Agency reserves the right to annul the Bidding Process and reject all Bids at any time prior to the issuance of the Notification of Award, without thereby incurring any liability to Bidders or providing any reason for rejection of the Bids. In case of such annulment, all Bids submitted and specifically, the Bid Securities, shall be promptly returned to the Bidders. The decision of the Implementing Agency shall be final and binding and no correspondence shall be entered into with the Bidders.

7.2.3 The Implementing Agency shall not be responsible for, or pay for, any expenses or losses which may be incurred by any Bidder in the preparation of, or in connection with, its Bid.

7.2.4 Each Bidder fully waives off any and all rights to claim in respect of such expenses or losses and agrees to indemnify the Implementing Agency, its affiliates and their advisors fully in respect of any direct or indirect losses, damages, costs or expenses of any kind incurred by any of them.

7.3 NOTIFICATION OF AWARD

7.3.1 Prior to expiration of the Bid Validity Period, the Implementing Agency shall notify the Successful Bidder through the Notification of Award that its Bid has been accepted.

7.3.2 The Implementing Agency shall, at least *ten (10)* business days prior to the issuance of the Notification of Award, publish results of the Bidding Process in the form of a report.

7.3.3 The Successful Bidder shall acknowledge and return the Notification of Award with its acceptance (the "**Acceptance of Notification of Award**") within seven (7) days of the issuance of Notification of Award, failure of which may constitute sufficient grounds for the annulment of the award and forfeiture of its Bid Security.

7.4 PERFORMANCE SECURITY

7.4.1 The Successful Bidder shall furnish to the Implementing Agency satisfactory Construction Performance Security during the Condition Precedent period and shall maintain the same in full force and effect until the Construction Performance Security Expiry Date, in accordance with the requirements of the Concession Agreement and the RFP, and shall subsequently furnish and maintain the O&M Performance Security in accordance with the terms of the Concession Agreement.

7.4.2 Failure of the Successful Bidder to comply with the requirements of Sub-Section 7.5.1 of the Instructions to Bidders shall constitute sufficient grounds for the annulment of the award and forfeiture of its Bid Security. Prior to execution of the Concession Agreement, the Construction Performance Security may be encashed for the same reasons as the Bid Security and for such other purpose as specified in the RFP. Following execution of the Concession Agreement, the Construction Performance Security and/or O&M Performance Security (as the case may be) shall be encashed in terms of the Concession Agreement.

7.5 SIGNING OF THE CONCESSION AGREEMENT

7.5.1 After due approval from the Executive Committee or the Competent Forum, as applicable, the Concession Agreement shall be executed between the Implementing Agency and the Successful bidder (as the concessionaire), within *thirty (30)* days of issuance of the Notification of Award or within such extended timeline as determined by the Implementing Agency in its sole discretion. In case the Concession Agreement is not executed within the aforesaid timeline, the Bid Security or the Construction Performance Security (as applicable) shall be encashed by the Implementing Agency and the award shall be canceled, if such failure is due to reasons attributable to the Successful Bidder.

7.6 AWARD TO NEXT BEST EVALUATED BIDDER

7.6.1 In the event the Successful Bidder / Bidder fails to comply with Sub-Section 7.5 (*Performance Security*) and / or Sub-Section 7.6 (*Signing of the Concession Agreement*) of the Instructions to Bidders, the Implementing Agency shall be entitled to revoke and terminate the Notification of Award and / or the Acceptance of the Notification of Award, as the case may be.

7.6.2 Thereafter, the Implementing Agency may issue (at its sole discretion) the Notification of Award to the Bidder whose Bid has been determined to be second Best Evaluated Bid in terms of the RFP. Upon the issuance of the Notification of Award, such Successful Bidder shall be required to comply with all the provisions set out in the RFP.

8. OTHER CONSIDERATIONS

8.1 CONFIDENTIALITY

8.1.1 Subject to Sub-Section 8.1.3 of the Instructions to Bidders and Sub-Section 3.3 (*Clarifications of RFP*), no Bidder shall contact the Implementing Agency / TFEC on any matter relating to its Bid from the time of Bid Submission Date.

8.1.2 Any attempt by a Bidder to influence the Implementing Agency / TFEC in relation to the Bidding Process may result in the rejection of its Bid and encashment of its Bid Security.

8.1.3 Notwithstanding Sub-Sections 8.1.1 and 8.1.2 of the Instructions to Bidders, from the time of Bid opening to the time of award of the Concession, if any Bidder wishes to contact the Implementing Agency / TFEC on any matter related to the Bidding Process (including for the matters set out in Sub-Section 3.3 (*Clarifications of RFP*), it should do so in writing.

8.1.4 Information relating to the examination, clarification, evaluation and recommendation for the Bidder shall not be disclosed to any person who is not officially concerned with the Bidding Process or is not a retained professional advisor advising the Implementing Agency in relation to, or matters arising out of, or concerning the Bidding Process. The Implementing Agency will endeavour to treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The Implementing Agency may not divulge any such information, unless it is directed to do so by any statutory entity that has the power under law to require its disclosure, is required under the applicable laws in Pakistan, or it is to enforce or assert any right or privilege of the Implementing Agency, a statutory entity.

8.1.5 All information supplied by the Implementing Agency in connection with this RFP, shall be treated as confidential and the Bidders shall not, without the prior written consent of the Implementing Agency, at any time make use of such information for their own purposes or disclose such information to any person (except as may be required by applicable law). Subject to the provisions of this RFP, the RFP shall remain the property of the Implementing Agency and is issued solely for the purpose of preparation and submission of the Bid in accordance herewith.

8.1.6 The RFP and every part of it and all other information provided by or on behalf of the Implementing Agency must be treated as private and confidential. Bidders shall not disclose the fact that they have been invited to submit a Bid or release details of the RFP other than on a strictly confidential basis to those parties whom they need to consult for the purposes of preparing the Bids.

8.1.7 Bidders shall not at any time release any information concerning the RFP and / or their Bid and / or any related documents and / or any discussion with the Implementing Agency in this connection for publication in the press or on radio, television, screen or any other medium without the prior written approval of the Implementing Agency.

8.1.8 Each Bidder undertakes to indemnify the Implementing Agency and to keep the Implementing Agency indemnified against all actions, claims, demands, liability, proceedings, damages, costs, charges and expenses whatsoever arising out of or in connection with any breach of the provisions of this Sub-Section 8.1 (*Confidentiality*).

8.1.9 Any Bid submitted in response to the RFP is submitted upon a full understanding and agreement of terms of this Sub-Section 8.1 (*Confidentiality*) and therefore the submission of the Bid in response to the RFP would be deemed as an acceptance to the said terms.

8.2 CORRUPT AND FRAUDULENT PRACTICES

8.2.1 The Implementing Agency / TFEC will reject a Bid if it determines that a Bidder (including any of its Affiliates) has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the Bidding Process and / or shall declare such Bidder ineligible, either indefinitely or for a stated period of time, to engage with the Implementing Agency.

8.2.2 "*Corrupt and fraudulent practice*" has meaning given to that term in the PPP Rules.

8.3 INTEGRITY PACT

The successful bidder shall sign and stamp form of integrity pact, in the form and substance to be provided with the Notification of Award (the "**Integrity Pact**"). Failure to provide the Integrity Pact may result in the cancellation of the award.

8.4 GRIEVANCE REDRESSAL

Any Bidder being aggrieved by any act or decision of the Implementing Agency / TFEC, may after the issuance of the RFP, lodge a written complaint to the "*complaint redressal committee*" constituted by the Implementing Agency in accordance with the Applicable Evaluation Documents. The mechanism for redressal of grievances of Bidders shall be as per the Applicable Evaluation Documents.

8.5 NO LOBBYING

8.5.1 The Bidders (including any member of the Consortium) will not attempt to communicate, directly or indirectly, with the Implementing Agency and / or the TFEC at any stage of the Bidding Process (including during the evaluation process), except as expressly permitted under this RFP, directed or permitted by the Implementing Agency, or except as may be required and permitted under another procurement process, project or other assignment, in which event the Bidder will not have any discussions regarding the Project.

8.5.2 The Implementing Agency / TFEC reserves the right to disqualify any Bidder that, in the Implementing Agency / TFEC's opinion, has engaged in lobbying in connection with this Project.

9. DATA SHEET

The following specific data shall supplement the provisions in the Instructions to Bidders.

1.	**Address for seeking clarifications on the RFP**	**Designation: Director Procurement** **Address:** 49-A, Jinnah Town, Quetta Phone No.: 081-250 3098, Website(s): https://bpppa.gob.pk/ Requests for clarifications to be sent to the following email addresses: ahsanullah@bpppa.gob.pk, faraz.syed@bpppa.gob.pk Subject of email to be Attn: RFP [*Name of Bidder*].
2.	**Address for submission of Bids**	**Designation: The CEO, BPPPA** **Address:** 49-A, Jinnah Town, Quetta Phone No.: 081-250 3098,
3.	**Address for opening of Bids**	**Address:** 49-A, Jinnah Town, Quetta
4.	**Bid Submission Date**	As per the table in Section 1.3
6.	**Bid Opening Date (Technical Proposals only)**	As per the table in Section 1.3
8.	**Name of Project**	Expansion, Operation and Maintenance of 'Officer's Club Quetta' under Public-Private Partnership mode via 'Design, Build, Finance, Operate and Maintain' modality.

9.	**Construction Performance Security**	Construction Performance Security: Five percent (05%) of the quoted bid 'Investment Amount'. Issued in the form of irrevocable bank guarantees to be renewed an annual basis as per Annexure C (*Form of Performance Security*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of this RFP. The 'Construction Performance Security' shall be submitted in replacement of the bid security, as applicable.
10.	**O&M Performance Security**	O&M Performance Security: PKR 15,000,000/- (Pakistani Rupees Fifteen Million Only) Issued in the form of irrevocable bank guarantees to be renewed an annual basis as per Annexure C (*Form of Performance Security*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of this RFP. The 'O&M Performance Security' shall be submitted in replacement of the Construction Performance Security, as applicable.
10.	**Bid Security**	PKR 12,000,000/- (Pakistani Rupees Twelve Million Only), issued in the form of an irrevocable, bank guarantee as per Bidding Form T6 (*Form of Bid Security*) of Part 2 (*Bidding Forms*) of Volume I (*Bidding Procedure*) of this RFP OR Cash Deposit Receipt (CDR). The Bid Security must be enclosed in the 'TECHNICAL PROPOSAL' envelope. In case of non-compliance, the Bid shall be rejected.
11.	**Project Location**	Prince Road, Quetta, Balochistan
12.	**Implementing Agency**	The Balochistan Public Private Partnership Authority and the Services & General Administration Department.
13.	**Bid Language**	English.
14.	**Concession Period**	Two (02) years for renovation/construction works and fifteen (15) years for the O&M of the facility with further term extension subject to provisions stipulated in the concession agreement.
16.	**Tax Liability**	The Bidder shall be responsible to bear all taxes, duties, charges and fee of any nature whatsoever whether provincial or federal.

17.	**Success Fee**	0.25% of the quoted Estimated Expansion Cost. *(payable in 02 installments but no later than conclusion of 6th month from the effective date).*
19.	**PDF Cost**	PkR 6.0 (Six) Million *(payable in 02 installments but no later than conclusion of 6th month from the effective date).*

PART 2
BIDDING FORMS

1. BIDDING FORMS

1.1 The Bidding Forms comprise the forms stated below. Each relevant form is required to be submitted with the Technical Proposal and the Financial Proposal, as applicable.

1.2 In case a document / Bidding Form required to be submitted as part of the Technical Proposal, is submitted with Financial Proposal; or a document / Bidding Form required to be submitted with Financial Proposal, is submitted with Technical Proposal, it shall not be considered for evaluation and such document / Bidding Form shall be considered as not submitted by the Bidder and may also form the basis of rejection of a Bid.

(A) For the Technical Proposal:

(a) **FORM T1 – LETTER OF TECHNICAL PROPOSAL;**
(b) **FORM T2 – FORM OF POWER OF ATTORNEY;**
(c) **FORM T3 – FORM OF AFFIDAVIT;**
(d) **FORM T4 – BASIC INFORMATION FORM;**
(e) **FORM T5 – HISTORICAL NON-PERFORMANCE AND PENDING LITIGATION;**
(f) **FORM T6 – FORM OF BID SECURITY.**

(B) For the Financial Proposal:

(A) **FORM FIN 1 – FINANCIAL MODEL**
(B) **FORM FIN 2 – QUOTATION – REVENUE SHARE PERCENTAGE**
(C) **FORM FIN 3 – QUOTATION – REVENUE SHARE**

BIDDING FORM T1 – LETTER OF TECHNICAL PROPOSAL

[Date]

To: **[*Insert name of the Implementing Agency*]**
[*Insert Address and Email details*]

Re: [*Design, finance, build, operate, maintain and transfer*][1] of the [*insert name of the project*] project (the **"Project"**).

Dear [Sir/Madam],

Reference the Request for Proposals document issued on [●], by [insert name of the Implementing Agency] (the **"Implementing Agency"**), (the **"RFP"**) in relation to the Project.

We, [*Name of the Bidder*] hereby submit our Technical Proposal in conformity with the requirements of the RFP.

All capitalized terms unless defined herein shall bear the meaning as ascribed thereto in the RFP.

We, agree, confirm, undertake and declare that:

(a) We have examined and have no reservations to the RFP, including Addenda No(s) / Corrigenda No(s).....

(b) We, [including all Consortium Members,] fully and completely understand and accept the terms of the RFP and hereby undertake to comply with the requirements specified therein.

(c) As security for due performance of the undertakings and obligations of this Bid, we submit unconditionally herewith a Bid Security equivalent to PKR [●]/- (Pakistani Rupees [●] only) drawn in your favour or made payable to you and valid for a period [twenty-eight (28)] days beyond the period of validity of Bid. We confirm that the Bid Security has been issued and maintained in accordance with the requirements of the RFP.

(d) We offer to perform and undertake the works and services in respect of the Project in conformity with the RFP (including the Concession Documents) without any omission, reservation and deviation; and we accept and undertake to comply with all requirements in the RFP, including the appendices / annexures attached to the RFP.

(e) We, [including all Consortium Members,] and the proposed contractors as per the

requirements of the RFP, respectively:

(i) have nationalities of Eligible Countries;

(ii) do not have any conflict of interest; and

(iii) have not been declared ineligible/blacklisted by any of our employers, by any Federal or Provincial governmental or non-governmental department / agency in Pakistan, as at the Bid Submission Date.

(f) Our Bid consisting of the Technical Proposal and the Financial Proposal shall be valid for a period of [one hundred twenty days (120)] days from the Bid Submission Date in accordance with the RFP, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

(g) We understand that all the volumes, appendices / annexures attached to the RFP are integral part of the RFP.

(h) We have reviewed and accepted the form of the Concession Agreement along with the appendices attached thereto (attached as Volume III (*Concession Agreement and Appendices*) to the RFP), and undertake to execute the same within the time period stipulated in Notification of Award.

(i) We acknowledge that the Implementing Agency will be relying on the information provided in our Bid and the documents accompanying it to determine the Successful Bidder. We certify that all information provided in our Bid is true and correct and that nothing has been omitted which renders such information misleading.

(j) We certify that in the last [five (5)] years, we have neither failed to perform on any contract, as evidenced by imposition of a penalty by any arbitral or judicial authority or a judicial pronouncement or arbitration award, nor have been expelled from any project or contract by any public authority, nor have had any contract terminated by any public authority for breach by us or, if we are a Consortium, by any of our Consortium Members and the proposed contractors.

(k) We understand that this Bid, together with your written acceptance thereof included in your Notification of Award, shall constitute a binding contract between us, until the Concession Agreement (attached as Volume III (*Concession Agreement and Appendices*) to the RFP) is executed.

(l) We are not participating, as a Bidder in more than one Bid in this Bidding Process in accordance with the requirements of the RFP.

(m) We understand that the Implementing Agency may cancel the Bidding Process at any time and that the Implementing Agency is not bound either to accept any Bid that it may receive, without incurring any liability to the Bidders.

(n) We agree to permit the Implementing Agency, and any persons, representatives or auditors appointed and authorized by the Implementing Agency to inspect and audit our accounts, records and other documents relating to our Bid.

(o) All the information submitted along with our Bid, including the enclosed forms and documents, is accurate in all respects.

(p) We accept the right of the Implementing Agency to: (i) request additional information reasonably required to assess the Bid; (ii) amend the procedures and requirements or make clarifications thereof; and (iii) extend or amend the timelines as stipulated in the RFP.

(q) All information, representations and other matters of fact communicated (whether in writing or otherwise) to the Implementing Agency by us or on our behalf, in connection with or arising out of the Bid are true, complete and accurate in all respects.

(r) We hereby declare that all the information and statements made in this Bid are true and accept that any misrepresentation contained in it shall lead to our disqualification, forfeiture of the Bid Security and / or our blacklisting by the Implementing Agency.

(s) We, [including all Consortium Members,] have made our own investigations and research and have satisfied ourselves in respect of all matters (whether actual or contingent) relating to the Bid and the Project.

(t) We undertake, if our Bid is accepted, to furnish the Construction Performance Security and O&M Performance Security as per the requirements of the RFP.

(u) We do hereby declare that the Bid is made without any collusion, comparison of figures or arrangement with any other person or persons making a Bid for the Project.

(v) We understand that the RFP has been issued by the Implementing Agency for the Project; and we undertake and confirm that if our Bid is accepted, we and the bidder (to be incorporated by us, in case the Project is awarded to us), as applicable, shall execute the Concession Agreement (including other Concession Documents) (attached as Volume III (*Concession Agreement and Appendices*) to the RFP and all other instruments as may be required to be executed in relation to the Project as per the requirements of the RFP.

Name .....

In the capacity of .....

Signed .....

…….. (Seal)…

Duly authorized to sign the Bid for and on behalf of: (*Insert Name of the Bidder/names of all Consortium Members*)

Date .....

Witness # 1:	**Witness # 2:**
Signature: _____	Signature: _____
Name: _____	Name: _____
Designation: _____	Designation: _____
Date: _____	Date: _____
CNIC/Passport No.:_____	CNIC/Passport No.:_____

BIDDING FORM T2 – FORM OF POWER OF ATTORNEY

A. POWER OF ATTORNEY TO AUTHORIZE A PERSON TO SIGN THE DOCUMENTS

NOTES FOR EXECUTION OF POWER OF ATTORNEY

- *To be executed by each Bidder and in case the Bidder is a Consortium, by each Consortium Member, authorizing the relevant attorney to sign the required documents on its behalf. Such attorney may be the same person authorised to submit documents on behalf of the Bidder (or Consortium Member) or may be a separate person.*

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*

- *The Power of Attorney should comply with the requirements set out in Part 3 (Bidding Documentary Requirements) of Volume I (Bidding Procedure) of the RFP.*

KNOW ALL BY THESE PRESENTS, WE, _____ (*name of the entity and address of the registered office*) do hereby irrevocably constitute, nominate, appoint and authorise Mr. / Ms. (Name), son / daughter / wife of _____ holding [*CNIC / Passport*] Number _____ and presently residing at _____, who is presently employed with [us / [in case of Consortium, insert name of Consortium Member] and holding the position of _____, as our true and lawful attorney (hereinafter referred to as the "**Attorney**") to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to the requirements of the request for proposals document issued on [●] (the "**RFP**") by [*insert name of the Implementing Agency*] ("**the Implementing Agency**") in relation to [*design, finance, build, operate, maintain and transfer*] of the [*insert name of project*] (the "**Project**"), including but not limited to signing and submission of all documents and providing information / responses to the Implementing Agency, representing us in all matters before the Implementing Agency, and generally dealing with the Implementing Agency in all matters in connection with our Bid for the Project.

We hereby ratify all prior and/ or future acts, deeds and things lawfully done or caused to be done by the Attorney in relation to the Project (including with respect to the submission of our Bid in response to the RFP) pursuant to this Power of Attorney and we hereby agree that all prior and/ or future acts, deeds and things done by the Attorney in relation to the Project (including with respect to the submission of our Bid in response to the RFP) shall, and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, _____, HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____, 20___.

For & On Behalf of:

_____ (*name of the entity)*

By Its Duly Authorized Signatory

……..

(Signature)

(Name, Title and Address)

WITNESSES:

WITNESS 1:	**WITNESS 2:**
……	……
NAME:	NAME:
CNIC / PASSPORT NUMBER:	CNIC / PASSPORT NUMBER:
ADDRESS:	ADDRESS:

SIGNATURE OF ATTORNEY

[NOTARISED]

……

(Signature)

(Name, Title and Address of the Attorney)

B. POWER OF ATTORNEY TO AUTHORIZE THE LEAD MEMBER

NOTES FOR EXECUTION OF POWER OF ATTORNEY

- *This Power of Attorney for the appointment and authorization of Lead Member, is to be executed by the authorized representative of each Consortium Member (appointed pursuant to the power of attorney in Form A (Power of Attorney to Authorize a Person to Sign the Documents)).*

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*

- *The Power of Attorney should comply with the requirements set out in Part 3 (Bidding Documentary Requirements) of Volume I (Bidding Procedure) of the RFP.*

WHEREAS, the [*insert name of Implementing Agency*] ("**the Implementing Agency**") has invited bids for the '[INSERT NAME OF PROJECT] (the "**Project**") pursuant to the request for proposals document issued on [●] by the Implementing Agency (as amended from time to time) (the "**RFP**");

WHEREAS, _____, _____ and _____ (each hereinafter referred to individually as a "**Consortium Member**" and collectively as "**Consortium Members**") have formed a consortium (the "**Consortium**") in accordance with the requirements of the RFP and have formed a consortium as per the requirements of the RFP;

AND WHEREAS, the Consortium Members issue this Power of Attorney for the appointment and authorization of the '**Lead Member**' with all necessary powers and authority to represent and irrevocably bind all the Consortium Members in all matters connected with the Bidding Process and during execution of the relevant agreements in relation to the Project, in case the Consortium is awarded the Project.

KNOW ALL MEN BY THESE PRESENTS

WE, _____ , having our registered office at _____, M/s. _____, having our registered office at _____, and M/s. _____, having our registered office at _____, do hereby irrevocably designate, nominate, constitute, appoint and authorise M/s _____, having its registered office at _____, being one of the Consortium Members, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the "**Attorney**") and hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the Bidding Process being conducted by the Implementing Agency pursuant to the RFP and to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the Project, including but not limited to signing and submission of our Bid, all applications and other documents and writings, participate in conferences / meetings, respond to queries, submit information / documents, sign and execute contracts and undertakings including the

Acceptance of Notification of Award, as applicable (if awarded the Project) and generally to represent the Consortium in all its dealings with the Implementing Agency and / or any other governmental agencies or any person, in all matters in connection with or relating to or arising out of the Consortium's Bid and its acceptance by the Implementing Agency.

We hereby ratify all prior and future acts, deeds and things lawfully by the Attorney in relation to the Project (including with respect to the submission of our Bid in response to the RFP) pursuant to this Power of Attorney and we hereby agree that all prior and/ or future acts, deeds and things done by the Attorney in relation to the Project (including with respect to the submission of our Bid in response to the RFP) shall, and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE THE ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____ 20___.

For:_____

(Signature)

(Name, Title and Address)

For: :_____

(Signature)

(Name, Title and Address)

For: :_____

(Signature)

(Name, Title and Address)

WITNESSES:

WITNESS 1:	**WITNESS 2:**
……	……
NAME:	NAME:
CNIC / PASSPORT NUMBER:	CNIC / PASSPORT NUMBER:
ADDRESS:	ADDRESS:

(Executants)

(To be executed by all the Consortium Members in favour of Lead Member)

BIDDING FORM T3 – FORM OF AFFIDAVIT

AFFIDAVIT
(this "**Affidavit**")

Date: _____

[INSERT NAME OF IMPLEMENTING AGENCY]
[Address]

Reference the Request for Proposals document issued on [●], by [*insert name of the Implementing Agency*] (the "**RFP**"), in relation to the [*design, finance, build, operate, maintain and transfer*] of the [*insert name of the project*] project.

We, [*insert name of Bidder / Consortium Member*] hereby represent and warrant that, as of the date of this Affidavit [*name of Bidder / Consortium Member]* (as applicable):

(a) are not in bankruptcy or liquidation proceedings;

(b) are not blacklisted by any governmental or non-governmental department / agency;

(c) have not been convicted of, fraud, corruption, collusion or money laundering;

(d) are not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect our capability to comply with the obligations under the Concession Agreement;

(e) [are legally and financially autonomous and operate under commercial law];

(f) [there is no pending litigation which represents more than [*fifty percent (50%)*] of our net worth];

(g) [are not under any non-performance of a contract within last [*five (5)*] years of the Bid Submission Date]; and

(h) [have not failed to sign a contract with any procuring authority following award].

We have also attached proof of our registration from the relevant statutory authority.

All capitalized terms unless defined herein shall bear the meaning as ascribed thereto in the RFP.

_____

Deponent

[Verified on oath at _____ on this ____day of _____, 20___ that the contents of the above Affidavit are true and correct to the best of my knowledge and belief.][7]

_____

Deponent

Yours sincerely,

Name and Title of Signatory: _____
Name of Bidder / Consortium Member: _____
Address of Bidder / Consortium Member: _____

WITNESS 1:

……
NAME:
CNIC / PASSPORT NUMBER:
ADDRESS:

WITNESS 2:

……
NAME:
CNIC / PASSPORT NUMBER:
ADDRESS:

[7] In case affidavit is executed outside Pakistan, verification by oath commissioner shall not be required.

BIDDING FORM T4 – BASIC INFORMATION FORM

To be submitted by all Bidders. In case of a Consortium, each Consortium Member must fill in this form.

Basic Information Form (Company Profile)

1.	Name of Entity: (In case of Consortium, legal name of each Consortium Member	
2.	Nature of Business: (Whether the entity is a corporation, partnership, trust *etc.*)	
3.	Head office address:	
4.	Telephone: Fax Number: E-mail address:	
5.	Place of Incorporation / Registration: Year of Incorporation / Registration:	
6.	Bidder's authorized representative: Telephone: Fax numbers: E-mail address:	
7.	Nationality of owners	
	Name:	Country:

BIDDING FORM T5 – HISTORICAL NON-PERFORMANCE AND PENDING LITIGATION

Non-Performing Contracts			
❑ **Contract non-performance did not occur** within the last **five (5)** years prior to the bid submission Date based on all information on fully settled disputes or litigation **(Affidavit to be provided)** ❑ **Contract non-performance during the stipulated period.**			
Year	**Outcome as Percent of Total Assets**	**Details**	**Total Contract Amount (current value, PKR)[8]**
		Contract Identification: Name of Employer: Address of Employer: Matter in dispute:	

Pending Litigation			
❑ **No pending litigation** (A fully settled dispute or litigation is one that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Bidder / Consortium Member have been exhausted) **(Affidavit to be provided)** ❑ **Pending litigation** (All pending litigation shall in total not represent more than **[50%]** of the Bidder's / Consortium Member's net worth and shall be treated as resolved against the Bidder / Consortium Member)			
Year	**Outcome as Percent of Total Assets**	**Details**	**Total Contract Amount (PKR)**
		Contract Identification: Name of Employer: Address of Employer: Matter in dispute:	

[8] In case of USD amount, exchange rate to be specified.

BIDDING FORM T6 – FORM OF BID SECURITY

BANK GUARANTEE

Guarantee No._____

Executed on _____

Expiry date _____

Name of Guarantor (Bank) with address:_____

[Name of Bidder with address:] _____

_____

Guaranteed Amount (express in words and figures):_____

_____

Date of Bid _____

The above premised, we (the "**Guarantor**") hereby undertake irrevocably and unconditionally on demand to pay to [insert name of the Implementing Agency] (the "**Implementing Agency**"), without any notice, reference or recourse to the Bidder or to any other entity or without any recourse or reference to any document, agreement, instrument or deed, any sum or sums (or any part thereof) equivalent in aggregate up to but not exceeding a maximum amount of:

[●] [●]/- ([●][●])

(the "**Guaranteed Amount**")

at sight and immediately upon the receipt of the Implementing Agency's first written demand (the "**Demand**") at the Guarantor's offices located at [●] or through SWIFT instructions transmitted by the Implementing Agency's bank (i.e. [●]), on behalf of the Implementing Agency, to the Guarantor, or through fax sent by the Implementing Agency at the Guarantor's fax number i.e., [●], such Demand stating:

(a) that the Bidder is in breach of its obligations towards the Implementing Agency; and

(b) the total amounts demanded.

A Demand shall only be honoured by us: (i) in the case of a written Demand, if it is made by and bears the signature of an authorised officer or other representative of the Implementing Agency; or (ii) in the case of a Demand transmitted through SWIFT, if it is transmitted through authenticated SWIFT instructions by the Implementing Agency's bank (i.e. [●]), on behalf of the Implementing Agency; or (iii) in the case of a Demand made through fax, it is made by and bears the signature of an authorised officer or other representative of the Implementing Agency.

We, the Guarantor, shall unconditionally honour a Demand hereunder made in compliance with this Bank Guarantee at sight and immediately on the date of receipt of your Demand, as stated earlier, and shall transfer the amount specified in the Demand to the bank account, as notified in the Demand, in immediately available and freely transferable funds in the currency of this Bank Guarantee, free and clear of and without any set-off or deduction for or on account of any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomsoever imposed.

Such demand must be received by us on or before the [●] (the "**Expiry Date**"), when this Bank Guarantee shall expire and shall be returned to us.

Upon expiry, this Bank Guarantee shall be returned to the Bidder without undue delay. Multiple Demands may be made by the Implementing Agency under this Bank Guarantee, but our aggregate liability will be restricted up to the Guaranteed Amount.

We hereby agree that any amendment, renewal, extension, modification, compromise, release or discharge by mutual agreement by the Implementing Agency, the Bidder or any other entity of any document, agreement, instrument or deed shall not in any way impair or affect our liabilities hereunder and maybe undertaken without notice to us and without the necessity for any additional endorsement, consent or guarantee by us.

This Bank Guarantee for its validity period shall not be affected in any manner by any change in our constitution or of the Bidder's constitution or of their successors and assignees and this Bank Guarantee shall be legally valid, enforceable and binding on each of their successors and permitted assignees.

All references to any contract, agreement, deed or other instruments or documents are by way of reference only and shall not affect our obligations to make payment under the terms of this Bank Guarantee.

If one or more of the provisions of this Bank Guarantee are held or found to be invalid, illegal, or unenforceable for any reason whatsoever, in any respect, any such invalidity, illegality, or unenforceability of any provision shall not affect the validity of the remaining provisions of this Bank Guarantee.

We hereby declare and confirm that under our constitution and applicable laws and regulations, we have the necessary power and authority, and all necessary authorizations, approvals and consents thereunder to enter into, execute, deliver and perform the obligations we have undertaken under this Bank Guarantee, which obligations are valid and legally binding on and enforceable against us under the laws of Pakistan and under the laws of the jurisdiction where this Bank Guarantee is issued. Further, that the signatory(ies) to this Bank Guarantee is / are our duly authorized officer(s) to execute this Bank Guarantee.

This Bank Guarantee and all rights and obligations arising from this Bank Guarantee shall be governed and construed in all respects in accordance with the laws of Pakistan. The

courts in Pakistan shall have exclusive jurisdiction in respect of any dispute relating to any matter contained herein.

[The issuance of this Bank Guarantee is permitted according to the laws of Pakistan and the laws of the jurisdiction where this Bank Guarantee is issued.]

This Bank Guarantee is subject to the Uniform Rules for Demand Guarantee, ICC Publication No.758.

Name: …….

Designation: ……...

BIDDING FORM F1 – LETTER OF FINANCIAL PROPOSAL

[Date]

To: **[*Insert name of the Implementing Agency*]**
[*Insert Address and Email details*]

Re: [*insert name of the project*] project (the **"Project"**).

Dear [Sir/Madam],

Reference the Request for Proposals document issued on [●], by [insert name of the Implementing Agency] (the "**Implementing Agency**"), (the "**RFP**") in relation to the Project.

We, [*Name of the Bidder*] hereby submit our Financial Proposal in conformity with the requirements of the RFP.

All capitalized terms unless defined herein shall bear the meaning as ascribed thereto in the RFP.

We, agree, confirm, undertake and declare that:

(a) We have examined and have no reservations to the RFP, including Addenda No(s) / Corrigenda No(s).....

(b) We, [including all Consortium Members,] fully and completely understand and accept the terms of the RFP and hereby undertake to comply with the requirements specified therein.

(c) We offer to perform and undertake the works and services in respect of the Project in conformity with the RFP, including the Concession Documents, without any omission, reservation and deviation; and we accept and undertake to comply with all requirements in the RFP including the appendices / annexures attached to the RFP.

(d) We, including all Consortium Members and the proposed contractors, as per the requirements of the RFP, respectively:

(i) have nationalities of Eligible Countries;

(ii) do not have any conflict of interest; and

(iii) have not been declared ineligible/blacklisted by any of our employers, by any Federal or Provincial governmental or non-governmental department / agency in Pakistan, as at the Bid Submission Date.

(e) Our Bid consisting of the Technical Proposal and the Financial Proposal shall be valid for a period of [one hundred twenty days (120)][9] days from the date fixed for the Bid Submission Date in accordance with the RFP, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

(f) We understand that all the volumes, appendices / annexures attached to the RFP are integral part of the RFP.

(g) We have reviewed and accepted the form of the Concession Agreement along with the Appendices attached thereto (attached as Volume III (*Concession Agreement and Appendices*) to the RFP) and undertake to execute the same within the time period stipulated in Notification of Award.

(h) We acknowledge that the Implementing Agency will be relying on the information provided in our Bid and the documents accompanying them to determine the Successful Bidder. We certify that all information provided in our Bid is true and correct and that nothing has been omitted which renders such information misleading.

(i) We certify that in the last five (5) years, we (including the proposed contractors) have neither failed to perform on any contract, as evidenced by imposition of a penalty by any arbitral or judicial authority or a judicial pronouncement or arbitration award, nor have been expelled from any project or contract by any public authority, nor have had any contract terminated by any public authority for breach by us or, if we are a Consortium, by any of our Consortium Members and the proposed contractors.

(j) We understand that this Bid, together with your written acceptance thereof included in your Notification of Award, shall constitute a binding contract between us, until the Concession Agreement (attached as Volume III (*Concession Agreement and Appendices*) to the RFP) is executed.

(k) We are not participating, as a Bidder in more than one Bid in this Bidding Process in accordance with the requirements of the RFP.

(l) We understand that the Implementing Agency may cancel the Bidding Process at any time and that the Implementing Agency is not bound either to accept any Bid that it may receive, without incurring any liability to the Bidders.

(m) We agree to permit the Implementing Agency and any persons, representatives or auditors appointed and authorized by the Implementing Agency to inspect and audit our accounts, records and other documents relating to our Bid.

(n) All the information submitted along with our Bid, including the enclosed forms and documents, is accurate in all respects.

(o) We accept the right of the Implementing Agency to: (i) request additional

[9] Period of bid validity to be inserted / confirmed.

information reasonably required to assess the Bid; (ii) amend the procedures and requirements or make clarifications thereof; and (iii) extend or amend the timelines as stipulated in the RFP.

(p) All information, representations and other matters of fact communicated (whether in writing or otherwise) to the Implementing Agency by us or on our behalf, in connection with or arising out of the Bid are true, complete and accurate in all respects.

(q) We hereby declare that all the information and statements made in this Bid are true and accept that any misrepresentation contained in it shall lead to our disqualification, forfeiture of the Bid Security and / or our blacklisting by the Implementing Agency.

(r) We, [including all Consortium Members,] have made our own investigations and research and have satisfied ourselves in respect of all matters (whether actual or contingent) relating to the Bid and the Project.

(s) We undertake, if our Bid is accepted, to furnish the Construction Performance Security and O&M Performance Security as per the requirements of the RFP.

(t) We do hereby declare that the Bid is made without any collusion, comparison of figures or arrangement with any other person or persons making a Bid for the Project.

(u) We understand that the RFP has been issued by the Implementing Agency for the Project; and we undertake and confirm that if our Bid is accepted, we (to be incorporated by us, in case the Project is awarded to us), as applicable, shall execute the Concession Agreement (including other Concession Documents) (attached as Volume III (*Concession Agreement and Appendices*) to the RFP and all other instruments as may be required to be executed in relation to the Project as per the requirements of the RFP.

Name .....

In the capacity of .....

Signed .....

…….. (Seal)…

Duly authorized to sign the Bid for and on behalf of: (*Insert Name of the Bidder/names of all Consortium Members*)

Date .....

Witness # 1: **Witness # 2:**

Signature: _____ Signature: _____

Name: _____	Name: _____
Designation: _____	Designation: _____
Date: _____	Date: _____
CNIC/Passport No.:_____	CNIC/Passport No.:_____

BIDDING FORM F2 – FINANCIAL PROPOSAL STANDARD FORM

1. **FORM FIN 1** – FINANCIAL MODEL

2. **FORM FIN 2 –** QUOTATION – REVENUE SHARE PERCENTAGE

3. **FORM FIN 3 –** QUOTATION – REVENUE SHARE

- Financial model ***(as per the attached bidding finaincal model in Excel workbook/spreadsheet provided on the website as Annexure-E)*** and should have the following components:

- **CAPEX SUMMARY**

TOTAL PROJECT COST / INVESTMENT AMOUNT	**IN PKR**

Note: The Financial Bid of the Bidder which does not include the Total Project Cost and the Financial Model (as per the attached bidding financial model in Excel Workbook/spreadsheet provided on the website as Annexure-E) will be **rejected**.

- **RETURN FOR GOB**

EQUITY IRR %	
NPV	

Note: The Project will have no debt [Zero Debt] i.e. 100% equity investment by the concessioniare.

Signature of Authorized Signatory

_____

Name and Title of Signatory:

_____

Name of Firm:

_____

Address:

_____

Revenue Share Percentage Quoted for GoB/ Implementing Agency ***(floor at 10%)***	_____ % (In words: _____ percent)

The Bidder who quotes below the Minimum floor of 10% will be **rejected**.

The highest net present value of revenue share *(as quoted in Form Fin 2 – Quotation Revenue Share Percentage)* for GoB discounted at the rate of 15%. Bidder who quotes the highest net present value of the dividends derived will be given the maximum financial score of 100 points.

The annual revenue share value provided/quoted below against each year forms the **'Minimum Annual Revenue Share Benchmark'** for the GoB against the quoted revenue share percentage. If during any year, the actual dividend payment falls below the 'Minimum Annual Revenue Share Benchmark', then the differential amount will be cumulatively adjusted *(including previous years if excess balance is available)* and carried forward to subsequent forward year *(with NPV of differential revenue share amount calculated/certified by the Independent Auditor)* and paid to the GoB until complete adjustment.

Operating Year	**Year Wise, Absolute Value of Annual Revenue Share Payment to GoB against the Revenue Share Percentage**	**Year Wise, Net Present Value of Revenue Share against the quoted Revenue Share Percentage (Discounted at given factor)** ***(Annual Revenue Share Benchmark for the GoB)***
Operating Yr. 1		
Operating Yr. 2		
Operating Yr. 3		
Operating Yr. 4		
Operating Yr. 5		
Operating Yr. 6		
Operating Yr. 7		
Operating Yr. 8		
Operating Yr. 9		
Operating Yr. 10		
Operating Yr. 11		
Operating Yr. 12		
Operating Yr. 13		
Operating Yr. 14		
Operating Yr. 15		
Total		

PART 3
BIDDING DOCUMENTARY REQUIREMENTS

BIDDING DOCUMENTARY REQUIREMENTS

NO.	DOCUMENT	REQUIREMENT
1.	LETTER OF TECHNICAL PROPOSAL AND LETTER OF FINANCIAL PROPOSAL	To be dated, signed by the authorized representative and witnessed.
2.	FORM OF BID SECURITY	To be dated, signed by an authorized representative and duly stamped (PKR [*relevant applicable amount to be inserted*]/-).
3.	POWER OF ATTORNEY	To be dated; witnessed; notarized; duly stamped (PKR [*relevant applicable amount to be inserted*]/-); signed by an authorized representative; and in the language as required under the Instructions to Bidders.
6.	AFFIDAVIT	To be dated; signed by the authorized signatory; witnessed; duly stamped (PKR [*relevant applicable amount to be inserted*]/-); and in the format as required under the RFP. The Affidavit to be attested by oath commissioner.

PART 4
ANNEXURES

A Technical Proposal received from Bidder, shall only be considered if all the following information / components have been provided and the requirements herein are satisfied:

In case any document / information furnished is in a language other than English, it will need to be accompanied by an English translation (duly notarized by Notary Public and attested by Pakistan Embassy / Consulate in the country of origin, and once brought into Pakistan, to be attested / stamped by the Ministry of Foreign Affairs, Pakistan). In case of any discrepancy, the English translation shall prevail.

BASIC ELIGIBILITY CRITERIA FOR BIDDERS AND CONTRACTOR:

A Bid received from a Bidder, shall only be considered if all the following components of the Basic Eligibility Criteria are satisfied:

ELIGIBILITY CRITERIA FOR BIDDERS

- **REGISTRATION**

  The Bidder or if the Bidder is a Consortium (each partner in the consortium) has to be a registered firm / company / partnership firm / AOP.

  The Bidder, in case of a Consortium all Consortium Members, must possess valid registration certificate from income tax authority (i.e., the NTN certificate) and relevant sales tax authority, if applicable.

  The Bidder shall provide copies of the relevant registrations/certificate(s), valid NTN and tax returns filed for last three years to be attached and relevant sales tax certificate, if applicable.)

  (Foreign entities if participating in the Bidding Process should submit tax certificate and tax returns filed for last (03) years of their country duly attested by Pakistani Embassy / Consulate / in their country).

- **GEOGRAPHICAL PRESENCE**

  The bidder must have geographical presence in Pakistan over the past 10 years. Evidence of geographical presence needs to be provided.

  [Submission of Incorporation Certificate(s) or Audited Financial Statements].

- **AFFIDAVIT FOR GOVERNMENT OWNED LEGAL ENTITIES**

  In case if the Bidder, or any Consortium Member is a government owned legal enterprise or institution, such Bidder, any Consortium Member (as applicable) must establish that it is legally and financially autonomous and operating under commercial law.

  (Bidders or any Consortium Member, who are government owned legal enterprise or institution shall submit an Affidavit confirming that they are legally and financially autonomous and operating under commercial law).

  Relevant Form: **BIDDING FORM T3 (*FORM OF AFFIDAVIT*)**

➢ **NO CONFLICT OF INTEREST**

The Bidder or the Consortium Member shall not have any Conflict of Interest.

Conflict of Interest means:

- where the Bidder or any Consortium Member, provides, or could provide, or could be perceived as providing biased professional advice to the Implementing Agency to obtain an undue benefit for himself or those affiliated with him;

- receiving or giving any remuneration directly or indirectly in connection with the Project except as provided in the RFP;

- any engagement in consulting or other procurement activities of a Bidder or any Consortium Member that conflicts with his role or relationship with the Implementing Agency under the Project;

- where an official of the Implementing Agency engaged in the procurement process has a financial or economic interest in the outcome of the process of procurement, in a direct or an indirect manner.

(Bidders (in case of a consortium, each Consortium Member), shall submit an Affidavit for no-conflict)

Relevant Form: **BIDDING FORM T3 (*FORM OF AFFIDAVIT*)**

➢ **NON- BLACKLISTING**

The Bidder or any Consortium Member shall not be blacklisted.

Blacklisting means barring a Bidder or any Consortium Member from participating in any procurement proceedings by the Government of Balochistan or any governmental entity including the Implementing Agency.

Bidders (in case of a consortium, each Consortium Member) shall submit an Affidavit for non-blacklisting)

Relevant Form: **BIDDING FORM T3 (*FORM OF AFFIDAVIT*)**

➢ **HISTORY OF NON- PERFORMING CONTRACTS AND LITIGATION**

Any non-performance of a contract by the Bidder (in case of Consortium, including each Consortium Member) should not have occurred in the last *five (5) years* prior to Bid Submission Date based on all information on fully settled disputes or litigation. All pending litigation against the Bidder or any Consortium Member shall in total not represent more than *fifty percent (50%)* of the respective net worth, nor shall there be any litigation that prevents or materially impedes the Bidder, any Consortium Member from its obligations in respect of the Project and the terms of the Concession Agreement.

The Bidders (in case of Consortium, each Consortium Member) shall provide details of the litigation or the Bidder (in case of Consortium, each Consortium Member) shall submit an Affidavit in case of no litigation on *PKR 500 Rupees (Pakistani Rupees* 500 *only)* stamp paper attested by Notary Public. Foreign Bidders' Affidavit should be attested by Pakistani Consulate / Pakistan High Commission of their country).

Relevant Forms: **BIDDING FORM T5 (*HISTORICAL NON-PERFORMANCE AND PENDING LITIGATION*) AND BIDDING FORM T3 (*FORM OF AFFIDAVIT*)**

- **FAILURE TO SIGN CONTRACTS**

The Bidder (in case of Consortium, each Consortium Member) shall not have failed to sign a contract in the last five (5) years.

(The Bidders (in case of Consortium, each Consortium Member) shall provide details of such failure to sign contracts or the Bidder (in case of Consortium, each Consortium Member) and a proposed contractor shall submit an Affidavit in case if not applicable on [*PKR* [*relevant applicable amount to be inserted*] */- (Pakistani Rupees [relevant applicable amount to be inserted] only)*] stamp paper attested by Notary Public. Foreign Bidders' Affidavit should be attested by Pakistani Consulate / Pakistan High Commission of their country).

Relevant Form: **BIDDING FORM T5 (*HISTORICAL NON-PERFORMANCE AND PENDING LITIGATION*) AND BIDDING FORM T3 (*FORM OF AFFIDAVIT*)**

- **SUBMISSION OF AUDITED FINANCIAL STATEMENTS**

The Bidder (in case of Consortium, Lead Consortium Member) shall submit last 03 years audited financial statements.

Relevant Document: Audited Finanical Statement for the last 03 years.

- **FINANCIAL SITUATION / HISTORICAL FINANCIAL PERFORMANCE**

Net Worth
The Bidder, or if the Bidder is a Consortium, the Lead Consortium member shall have a net worth of at least **PKR** 200,000,000**/- (Pak Rupees** Two Hundred Million **Only)** as presented in the most recent audited financial statements. Details should be provided as per following:

Financial Year End [*insert the date and year*]

Bidder (or if the Bidder is a Consortium, the Lead Bidder net worth)

Years	Value of Total Assets	Total Liabilities	Net Worth
[*insert the Year*]	[*insert the amount in PKR*]	[*insert the amount in PKR*]	[*insert the amount in PKR*]

Average Annual Turnover

The Bidder, or if the Bidder is a Consortium, the Lead Consortium member shall have an average annual turnover of **PKR** 150,000,000**/- (Pak Rupees** One Hundred and Fifty Million **Only)** over the last three (3) years audited financial statements. Details should be provided as per following:

Financial Year End [*insert the date and year*]

Bidder (in case of Consortium, the lead Consortium Member)

Years	**Turn Over**	**Average Turn Over**
[*insert the Year*]	[*insert the amount in PKR*]	-
[*insert the Year*]	[*insert the amount in PKR*]	[*insert the Average amount in PKR*]
[*insert the Year*]	[*insert the amount in PKR*]	[*insert the Average amount in PKR*]

- **EXPERIENCE IN HOSPITALITY SECTOR**

The Bidder (in case of Consortium, the lead Consortium Member) shall have at least five (05) years of experience in operating a minimum 3-Star facility.

In case of a facility which is equivalent to a 3-Star facility however which does not carry or have a certified active 'proof of rating', an equivalence certificate duly notarized by relevant Competent Authority is required.

Relevant Document: Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence along with Company incorporation certificate.

(I) TECHNICAL EVALUATION CRITERIA

SR. NO.	CRITERIA	WEIGHTAGE/ MARKS
A.	Financial Soundness	30 points
B.	Experience in Hospitality Sector	50 Points
C.	Methodology and Work Plan	05 Points
D.	Key Professionals	15 Points
	Total	**100 Points**

For technical qualification, a Bidder must score at least *seventy (70)* or more marks. The detailed technical evaluation criteria for Technical Proposal is set out in Annexure B (*Evaluation Criteria*) of Part 4 (*Annexures*) of Volume I (*Bidding Procedure*) of the RFP.

After complete evaluation of the Technical Proposals, the Financial Proposals of the Bidders, who have been qualified technically, shall be evaluated as per the requirements set out in Volume I (*Bidding Procedure*) of the RFP.

Financial evaluation of bids will be based on highest revenue sharing with the Government of Balochistan on net present value basis and such bid shall be declared as the 'most advantageous bid'.

a. Financial Soundness of Bidder (in case of Consortium, collectively): (30 points)

i.	If Average Annual Turnover over the last three as per the latest Audited Financial Statements (less than PkR 150 million will score no points) (maximum 15 points)	10 points for PKR 150 Million + 1 point for each increase of Rs. 25 million
ii.	Net Worth as per the most recent audited financial statements (less than PkR 200 million will score no points) (maximum 15 points)	10 points for PkR 200 Million + 1 point for each increase of Rs. 50 million

b. Experience in Hospitality Sector (in case of Consortium, collectively): (50 points)

i.	Experience of operating and managing a 'Rated' hospitality Asset in Pakistan – Submission of Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence. (maximum 15 points)	• 5-Star Facility – 15.0 Marks • 4-Star Facility – 12.5 Marks • 3-Star Facility – 10.0 Marks No marks for facilities below 3-star rating
ii.	Experience (in years) of operating and managing a Hospitaltiy Asset in Pakistan – Submission of Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence and/or company incorporation certificate. (maximum 05 points)	• More than 10 years of experience – 05 Marks • 8-10 years of experience – 4 Marks • 5-8 years of experience – 3 Marks • Up to 5 Years – 02 marks No marks for facilities being run for less than 5 years
iii	Experience of operating and managing Hospitaltiy Asset(s) in Pakistan – Submission of Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence and/or company incorporation certificate.	• 03 or more assets (minimum 3-star facility) – 15 Marks • 02 assets (minimum 3-star facility) – 10 Marks • 01 asset (minimum 3-star facility) – 05 Marks

	(maximum 15 points)	
iv.	Experience of operating and managing an international Hotel Chain in Pakistan – Submission of Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence and/or company incorporation certificate. (maximum 05 points)	• 5-Star Facility – 05 Marks • 4-Star Facility – 03 Marks • 3-Star Facility – 01 Mark No marks for facilities below 3-star rating
v.	Experience of operating and managing a Banquet Facility – Submission of Relevant Certificate from Competent Authority i.e. the Federal and/or Provincial Govt. and/or franchise certificate and/or equivalent documentary evidence and/or company incorporation certificate. (maximum 05 points)	• More than 10 years of experience – 05 Marks • 8-10 years of experience – 4 Marks • 5-8 years of experience – 3 Marks • Up to 5 Years – 02 marks No marks for facilities being run for less than 5 years
vi.	Experienced human resource with accredited hospitality Sector training- Submission of list of HR with name, NIC and contact number alongwith copy of certificate from duly accredited hospitality training institute. (maximum 05 points)	• 25 or more trained human resource – 05 Marks • 15-24 trained human resource – 02 Marks • 10-14 trained human resource – 01 Mark No marks for facilities having less than 10trianed human resource

c. Proposed Methodology and Work-Plan: (05 Points)

i.	Hotel Facility Constrcution/Expansion Plan with Gantt Chart	01
ii.	Hotel Facility Operation plan	01
iii.	Hotel Facility Maintenance plan	01
iv.	Hotel Facility – HR deputation plan	01
v.	Hotel Facility – SWOT analysis with Business plan	01

d. Key professional staff qualifications and competence for the assignment: (15 Points)

<table>
<tr><td colspan="2">No.</td><td colspan="2">Core Team: (Dedicated, skilled human resource proposed for the project)</td><td colspan="2">Points</td></tr>
<tr><td>a)</td><td>General Manager</td><td>Qualification & Experience</td><td>Points</td><td>03</td></tr>
<tr><td colspan="3">Qualification
Bachelor’s Degree</td><td colspan="2">1.5 Marks</td></tr>
<tr><td colspan="3">Experience
Experience of fifteen (15) years working in atleast a three (03) star hotel</td><td colspan="2">1.5 Marks</td></tr>
<tr><td>b)</td><td>Housekeeping Manager</td><td>Qualification & Experience</td><td>Points</td><td>03</td></tr>
<tr><td colspan="3">Qualification
Bachelor’s Degree</td><td colspan="2">1.5 Marks</td></tr>
</table>

Experience Experience of ten (10) years working in atleast three (03) star hotel			1.5 Marks	
c)	**Banquet Manager**	**Qualification & Experience**	**Points**	03
Qualification Bachelor's Degree			1.5 Marks	
Experience Experience of ten (10) years working in atleast three (03) star hotel			1.5 Marks	
d)	**Healthcare / Sports Manager**	**Qualification & Experience**	**Points**	02
Qualification Bachelor's Degree (01 Mark)				
Experience Experience of ten (10) years working in a four (04) star hotel (01 Mark)				
e)	**Hotel Training Manager**	**Qualification & Experience**	**Points**	02
Qualification Bachelor's Degree			01 Mark	
Experience Experience of ten (10) years working in atleast three (03) star hotel			01 Mark	
f)	**Chef**	**Qualification & Experience**	**Points**	02
Qualification Bachelor's Degree			01 Mark	
Experience Experience of ten (10) years working in atleast three (03) star hotel			01 Mark	

[*See Appendix in the Concession Agreement****]***

The legally binding and enforceable Consortium undertaking signed by each Consortium Member and shall include the following:

(a) Specify the designated Lead Member, nominated by the Consortium, as its representative and the role of each Consortium Member.

(b) Each Consortium Member shall authorise the Lead Member to sign and submit the Bid on its behalf and participate in the Bidding Process.

(c) Specify that the Consortium Members are jointly and severally liable in respect of their obligations in relation to the Project.

VOLUME II – PROJECT SCOPE

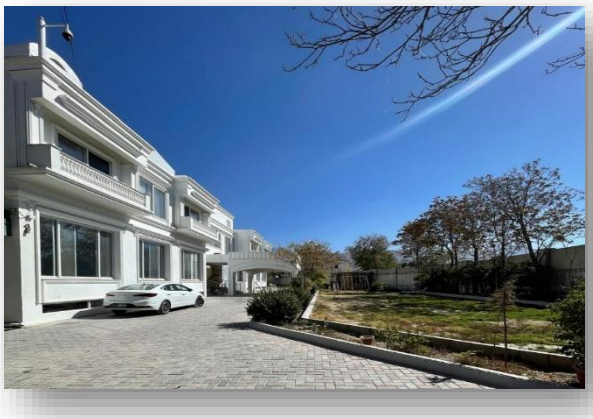
1. Introduction

The Officers Club Quetta, strategically located on Prince Road in central Quetta, Balochistan, serves as a symbol of modern aesthetics and traditional hospitality. Initially established to offer a leisure and recreational sanctuary for government officials, dignitaries, and respected guests in Balochistan, the club occupies a prominent role in the city's social and cultural landscape. Its prime location provides quick access to major government offices, markets, and tourist sites, positioning it as an ideal venue for hosting a variety of events, from private to governmental gatherings.

The setting of the Officers Club balances elegance with cultural pride, integrating hints of local architectural influences within a contemporary framework. The club's surroundings are peaceful, featuring ample parking space and landscaped grounds that contribute to an atmosphere of security and exclusivity. This ambiance, coupled with the club's central location, enhances its appeal as a distinguished venue within the city of Quetta.

Building Aesthetics and Design

The Officers Club's architectural design is contemporary, with a pristine white exterior. Clean lines and well-balanced windows characterize the façade, allowing natural light to fill the rooms. In the evenings, lighting highlights the building's contours, creating an attractive display. The thoughtful design maximizes both functionality and visual appeal, drawing the attention of guests and setting a high standard for hospitality venues in the area.

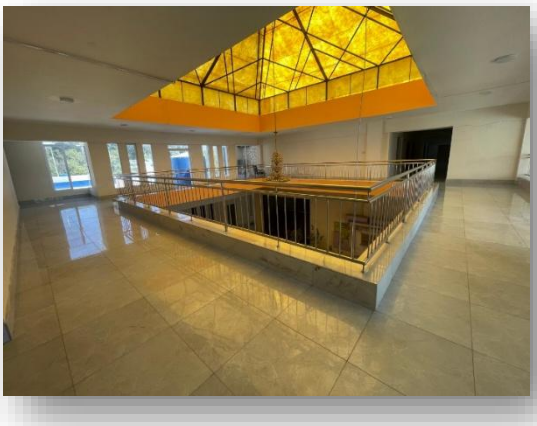


Inside, the club's décor combines luxury and comfort, offering a warm, welcoming environment. Carefully selected furnishings and tasteful wood paneling enhance the interiors, giving a homely yet upscale vibe. Carpeting, soft lighting, and well-planned seating arrangements provide a serene retreat for guests, while the open, airy spaces further contribute to the relaxing atmosphere. Every detail within the facility has been crafted to deliver a peaceful experience, catering to both official gatherings and individual retreats.

Facilities Overview

The Officers Club boasts an impressive array of amenities designed to meet the diverse needs of its guests. These include:

- **Suites and Rooms:** Featuring six suites and eight guest rooms, the club provides a reasonable accommodation. Each suite is sized with dedicated living areas, workspaces, and bathrooms, ideal for long stays. The suites and rooms are furnished with bedding, flat-screen TVs, Wi-Fi, and in-room service options.
- **Multi-Purpose Halls:** The club houses four halls that cater to various events, from conferences to social gatherings. Equipped with adequate audiovisual systems, these halls can be customized to fit different seating arrangements. Facilities include theater, banquet, and boardroom styles. The overall décor and lighting allow each event to maintain a professional yet inviting tone, making these halls an ideal choice for hosting formal and informal gatherings.



- **Recreational Facilities:** For physical well-being, the club provides a range of recreational options, including a squash court, a tennis court, and a fully-equipped gym. These facilities were designed to allow the guests to enjoy a balanced stay, blending relaxation with physical activity. The gym, with large windows overlooking the landscaped surroundings was designed to provide wellness experience.
- **Dining Facilities:** The main kitchen and cafeteria are present, however not currently operational. Catering services can also be provided for events. The kitchen is equipped to handle large gatherings, while the cafeteria provides a more relaxed atmosphere for informal dining.
- **Additional Amenities:** Additional facilities within the club include a mosque, guard room, staff room, and office accommodations.

Current Situation

Although the Officer's Club Quetta boasts substantial facilities and holds sound potential, it remains underutilized due to several challenges. Funding limitations have restricted the club's ability to operate at its ideal capacity, and inconsistent management practices have further hindered its growth. Additionally, minimal marketing has resulted in limited awareness, preventing the club from attracting the level of engagement it could otherwise enjoy. This combination of factors has contributed to a decline in service quality over time, leading to guest dissatisfaction and adversely impacting the club's reputation.

Currently, the club's operations are functional but lack the consistency and quality needed to position it as a premier venue in Quetta. The deterioration in service quality, coupled with declining visitor numbers, indicates the need for a sustainable operational approach. Without effective changes, the club's ability to maintain and enhance its offerings remains compromised.

Intervention through Public-Private Partnership

The challenges faced by the Officers Club highlight the need for intervention to bring in strategic private partner, particularly a hotel property operator. To realize the club's full potential as a recreational and hospitality facility, the Balochistan Public Private Partnership Authority proposes a Public-Private Partnership (PPP) model to revitalize the club. Through this approach, a qualified private partner would assume responsibility for the club's overall proposed expansion, daily operations, providing the professional management and investment needed to ensure consistent quality and financial viability.

Under the proposed PPP model, the hotel operator would enter into a PPP Agreement, granting them a 15-year lease to oversee and manage the expansion and overall operations of the club. The long-term nature of this agreement allows the partner to implement improvements that enhance service quality, efficiency, and profitability. Furthermore, the private partner would be encouraged to introduce innovative hospitality practices that elevate the guest experience, ensuring that the club meets modern standards of luxury and comfort.

In addition to operational improvements, the PPP model aims to introduce a sustainable revenue structure that supports long-term maintenance and expansion of services. By establishing clear goals, performance metrics, and regular reviews, the private partner can work effectively to maintain high standards of service and operational excellence.

Benefits for the Government of Balochistan

By pursuing the proposed model, the Government of Balochistan will have multi-fold benefits as described below:

1. **Expansion, renovation and upgradation of overall property:**

   The private party will be responsible to expand and upgrade the facility at its own expense and self-raised finances. The GoB will not commit to invest any amount in the project. Towards the end of the project tenor, the GoB will get back the entire property at zero cost to the Government.

2. **Accommodation for Government Officials at Reduced Costs:**

   One of the purpose of the facility is to host government guest and officials. Based on provision of NOC by S&GAD, the Government officials and guests will be accommodated at subsidized rates.

3. **Zero Operational Costs for the Government:**

   The existing financial burden of operational costs is entirely eliminated for the government, ensuring efficient resource allocation. Further, Government will not be committing to any funds to run the day-to-day operations of the facility. The cost will be borne by the private partner.

4. **Revenue Sharing:**

   The government will benefit from a revenue-sharing arrangement, contributing to its financial sustainability and growth. The current floor is set at 10% for the competitive bidding process.

2. Facilities and Amenities

Accommodation Spaces

Suites

The Officers Club Quetta offers six suites, each designed to provide guests with the due comfort and privacy. These suites feature a spacious living area, a separate bedroom, and a private bathroom, giving guests a home-like feel during their stay. The living area is furnished with sofas, a coffee table, and a designated workspace, making it ideal for guests who need to work or conduct informal meetings in a private setting.

Each suite is equipped with modern amenities, including a flat-screen TV with satellite channels, high-speed Wi-Fi access, a minibar, and round-the-clock room service options. The décor combines a warm color palette with fine materials, exuding elegance and calm. Tasteful artwork and lighting enhance the ambiance, creating an inviting and restful space for guests. Large windows allow for ample natural light, offering views of the landscaped surroundings.

Guest Rooms

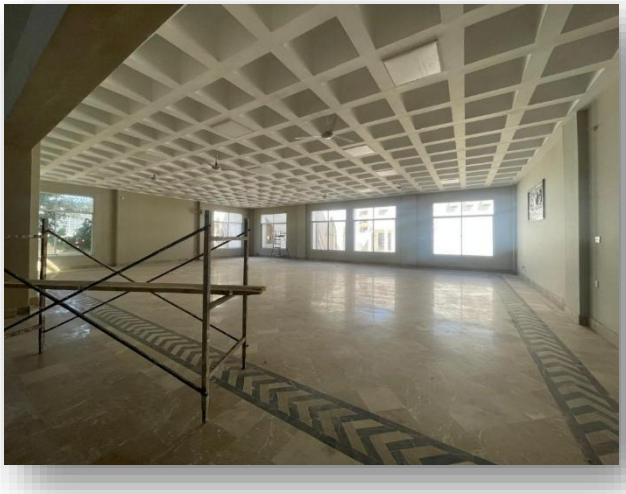
In addition to the suites, the club provides eight furnished guest rooms designed to cater to short-term visitors or smaller groups. Each room is equipped with a double bed, wardrobe space, and an en-suite bathroom. The interior design blends traditional and modern elements, with attention to detail that creates a warm atmosphere. These rooms have been crafted with care, incorporating linens, cozy lighting, and décor to make every guest feel at ease.

Every guest room includes large windows that bring in natural light, with views overlooking either the gardens or the club's surroundings. Each room is equipped with the requisite amenities: a flat-screen television, Wi-Fi access, and additional items such as a minibar and in-room coffee and tea-making facilities. These elements ensure a comfortable, enjoyable experience that meets the needs of today's travelers.

Event and Meeting Halls

Large Halls

The Officers Club is well-suited for hosting large-scale events, thanks to its four spacious multi-purpose halls. These halls are versatile enough to accommodate a variety of events, such as corporate meetings, social gatherings, formal dinners, weddings, and conferences. Each hall can comfortably host up to 100-150 guests, making it a prime choice for medium to large events.



The aesthetic of each hall is designed with an emphasis on elegance, featuring tasteful décor, carpets, and well-rounded seating arrangements that can be adjusted according to the event's theme.

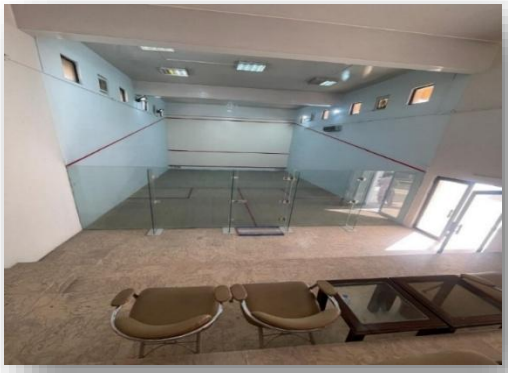
Customizable Spaces

The layout and furniture of each hall allow for flexible seating arrangements, which can be customized to fit the specific needs of any event. For instance, hosts can select a classroom setup for conferences, a banquet arrangement for formal dinners, or a theater-style layout for presentations. This flexibility provides a high degree of control over the ambiance and function of the space, making it easy to tailor the experience to suit any occasion.

With additional options for floral arrangements, stage setups, and customized lighting schemes, the halls offer hosts endless possibilities to create memorable events.

Recreational Facilities

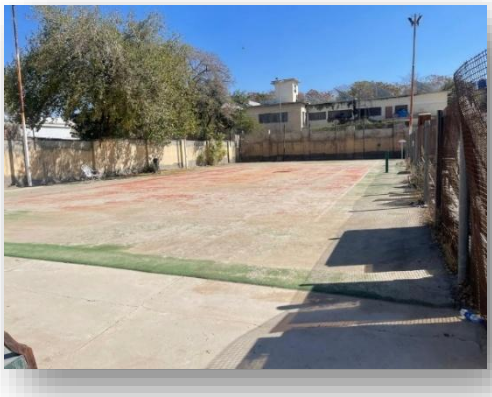
Squash and Tennis Courts



The club offers recreational facilities that cater to the health and wellness of its guests, including a professional-grade squash court and a tennis court.

The squash court features polished wood-panel flooring and an enclosed viewing area for spectators, designed to provide players with privacy and optimal playing conditions.

The space is well-ventilated and lit, creating a comfortable environment for both casual and competitive matches.

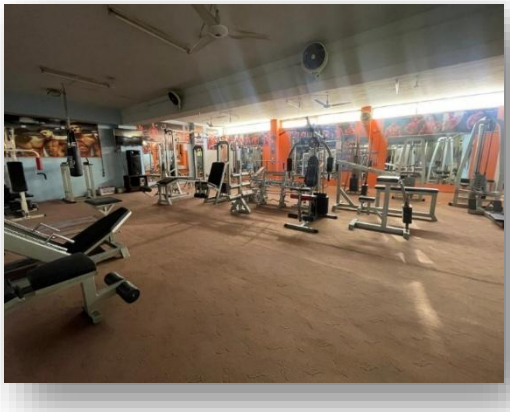


There are two outdoor tennis courts however currently both remain inoperational. With renovation of the courts, they will feature a durable, high-quality surface designed to handle intense use while providing players with a smooth playing experience.

Equipped with lighting for evening play, the court will be ideal for both early risers and night-time players, ensuring flexibility and convenience for all guests. Seating areas nearby allow spectators to enjoy the games, making it a popular feature of the club's recreational offerings.

Officer's Club Gym

The Officer's Gym at the Officers Club Quetta is a state-of-the-art facility designed to cater to the fitness needs of guests. Equipped with modern exercise machines, the gym offers a wide range of options for cardiovascular training, strength conditioning, and flexibility exercises. High-tech treadmills, stationary bikes, and rowing machines are complemented by free weights and resistance equipment, allowing members to customize their workouts to suit their fitness goals.



The gym's design emphasizes comfort and functionality, featuring spacious workout areas, natural lighting from large windows, and ergonomic flooring that reduces impact and enhances safety. With deployment of dedicated staff on hand to assist with equipment use and workout guidance, the Officer's Gym shall provide a welcoming and supportive environment for all fitness levels.

Fitness Club

The Fitness Club at the Officers Club Quetta goes beyond traditional gym offerings to provide a holistic wellness experience. In addition to gym access, the Fitness Club can feature group exercise classes, including yoga, aerobics, and Pilates, designed to promote physical well-being and mental relaxation.

The present dedicated area for stretching and low-impact activities allows members to unwind and recover, while wellness programs tailored to different fitness levels ensure inclusivity.

Dining Facilities

Main Kitchen

At the heart of the Officers Club's culinary offerings is the main kitchen which is equipped with high-end cooking appliances, ample storage, and designated workstations for different cooking techniques, from baking to grilling. It is designed to accommodate large gatherings as well as personalized dining experiences, allowing guests to enjoy a wide variety of dishes tailored to their preferences.

For event catering, the facility is available and upon deployment of dedicated team, the kitchen will offer foods with traditional flavors to global cuisine, ensuring that guests experience both authenticity and variety.

The kitchen can also be equipped to handle specialized dietary needs, such as vegetarian, vegan, or gluten-free meals, making it versatile and inclusive.

Cafeteria

Adjacent to the gym, the cafeteria offers a relaxed and casual dining experience. The ambiance is warm and inviting, with comfortable seating arrangements that can accommodate guests who can enjoy light meals, snacks, or refreshments throughout the day, with a menu that features local treats as well as international comfort foods.

Support Facilities

Staff Room

To ensure optimal service quality, the club includes a dedicated staff room where employees can rest and regroup between shifts. This area is equipped with comfortable seating, lockers for personal belongings, and basic amenities, creating a welcoming space where staff can recharge.

By providing a dedicated space for staff breaks, the club ensures that its team is always ready to deliver excellent service.

Mosque

The club also accommodates the spiritual needs of guests and staff with an on-site mosque. This prayer facility provides a peaceful environment for guests to fulfill their religious obligations without needing to leave the premises. The mosque is designed with simplicity and reverence, offering a quiet, respectful space for daily prayers.

Guard Room and Security

Safety is a priority at the Officers Club, and a 24/7 guard room helps maintain security on the premises. The guard room enables monitoring the area, manage visitor access, and ensure that guests can enjoy a secure and peaceful experience.

Additionally, surveillance cameras are strategically placed throughout the premises to enhance security measures.

Basement and Car Parking

The basement of the Officers Club Quetta is a spacious and secure parking facility designed to accommodate up to 30 vehicles. The parking area provides convenience and safety for guests, ensuring that they have easy access to the club's amenities without the hassle of searching for external parking. The basement is equipped with proper ventilation, efficient lighting, and designated parking spots to optimize the space and maintain a smooth traffic flow.

3. Challenges in Operation and Maintenance of the Facility

Quetta Officer's Club is a located at a prime location at the city center and can offer quality service to host its guest. However, due to ongoing operational model, there are several constraints which limits the optimum operations, resulting in reliance on government funding and overall question mark on sustainability of the project. These challenges stem from the following macro-level issues, as discussed below.

Current Operational Challenges

Funding Constraints

One of the primary challenges facing the Officer's Club Quetta is insufficient funding. Currently operating under a government-funded model, the club struggles to secure the financial resources required for high-quality maintenance and smooth operations. This limited budget affects multiple aspects, from maintaining the building and amenities to updating equipment and introducing new facilities that could enhance guest experiences. Without adequate funding, it is difficult to sustain regular operations and to develop amenities that meet guests' expectations in a modern, competitive hospitality environment.

Financial constraints also restrict investments in premium services or facilities, which diminishes the club's appeal in attracting high-profile guests, corporate clients, or large-scale events. For instance, updated conference facilities, cutting-edge recreational amenities, and high-end dining options are often key to appealing to premium clientele; however, the lack of capital means that these areas cannot be fully realized, hindering the club's revenue-generating potential.

Management Limitations

Another major issue is the limitation in professional management, as government operations often face constraints in hiring specialized talent with hospitality industry experience. Effective club management requires a dedicated team with hospitality management skills, including expertise in guest relations, event coordination, and food and beverage services. The government-run model, however, does not allow the flexibility to employ such a specialized team, often resulting in a lack of consistency in service standards.

Additionally, staff turnover is high due to limited incentives and professional growth opportunities, making it difficult to build a committed and experienced workforce. Recruitment practices, while functional, lack the rigorous standards and training seen in the private sector, where staff are groomed to provide polished, professional service.

This inconsistency in management affects the overall quality of services and deters potential clients who expect premium, reliable services from a club of this stature.

Marketing and Visibility

The club currently lacks a well-defined marketing strategy, which greatly impacts its visibility and appeal to both locals and tourists. Effective marketing is crucial for any hospitality entity as it drives awareness, attracts clientele, and boosts revenue potential. However, the club has yet to establish a targeted strategy to promote its amenities, events, or recreational options. This limited visibility has prevented the club from tapping into various client segments, such as local organizations, event planners, or travelers who could use the facilities for stays, meetings, or recreational purposes.

Without promotional activities such as social media marketing, partnerships with tourism boards, or collaborations with event management companies, the club's offerings remain underutilized.

Maintenance Issues

Facility Wear and Tear

Maintaining the club's facilities is another challenge, especially in terms of preventing and repairing the wear and tear that naturally occurs over time. With limited resources dedicated to upkeep, it becomes challenging to keep amenities like guest rooms, gym equipment, and recreational tennis and squash courts in peak condition.

For instance, outdated or damaged equipment in the fitness gym can affect guest satisfaction and reduce the likelihood of repeat visits. Additionally, the aesthetic appeal of the club, including its decor and furnishings, risks becoming outdated without regular updates, further diminishing its attractiveness to potential clients.

Guests expect well-maintained, pristine environments, particularly in premium accommodations. However, the inability to keep up with facility wear and tear due to resource constraints is a significant deterrent for those seeking luxury or high-quality services. Regular inspections, maintenance schedules, and replacement of worn-out furniture or equipment are necessary to maintain the club's standards, yet these are difficult to implement with the current funding limitations.

Cleaning and Hygiene

In hospitality, cleanliness and hygiene standards are paramount, and they directly impact customer satisfaction and brand reputation. The Officers Club Quetta faces challenges in maintaining these high standards consistently. Dining areas, accommodations, and fitness facilities require rigorous cleaning schedules to ensure a welcoming environment. However, under the current management structure, these cleaning protocols may lack the frequency and thoroughness needed, leading to customer dissatisfaction and potentially negative feedback.

Hygiene is particularly crucial in shared spaces such as gyms, cafeterias, and restrooms, where the lack of attention to cleanliness can significantly affect the guest experience. Without a dedicated cleaning staff trained in hospitality standards, the club is unable to provide the level of sanitation that would meet guest expectations, impacting overall satisfaction and deterring repeat visits.

Sustainability Concerns

Revenue Model

The Officers Club lacks a comprehensive revenue model, which is essential for ensuring long-term sustainability and financial viability. Currently, membership fees, event hosting charges, and recreational usage fees are either not implemented effectively or are insufficiently structured to cover the full operational costs.

A well-defined revenue model could allow the club to generate steady income through membership programs, event hosting, or even seasonal packages, thereby offsetting operational expenses and facilitating future growth.

Without a structured revenue model, the club struggles to break even, let alone expand its offerings or improve its infrastructure. Introducing innovative revenue streams, such as offering corporate memberships, organizing paid events, or opening the facilities to the public on certain days, could help the club achieve financial sustainability. However, without strategic planning and execution, these opportunities remain untapped.

Quality and Service Gaps

Customer Satisfaction

Ensuring a high level of customer satisfaction is essential for any hospitality facility. However, the Officers Club faces ongoing challenges in delivering consistent, high-quality services, leading to frequent customer complaints and an inability to meet guest expectations. The luxury experience promised by the club is often undermined by service gaps, such as slow response times, limited amenities, and inconsistencies in room or facility upkeep. Guests who expect a seamless, refined experience may find these issues frustrating, which damages the club's reputation and affects guest retention.

By addressing these service gaps through improved training, regular inspections, and feedback mechanisms, the club could significantly enhance customer satisfaction levels. However, without dedicated resources and attention to customer service protocols, these issues will likely persist, further diminishing the club's appeal.

Staff Training and Development

In the hospitality sector, staff training is a key component in ensuring excellent service delivery, yet the current framework lacks regular and comprehensive training programs. Staff at the Officers Club need ongoing training to refine skills in areas such as customer service, operational efficiency, and crisis management, all of which are crucial for creating a safe and enjoyable environment. In the absence of structured development programs, staff may struggle to meet service expectations, impacting guest satisfaction and the overall quality of service.

Regular training not only enhances staff competencies but also increases their engagement and motivation, reducing turnover rates and fostering a more committed team. A well-trained, service-oriented workforce is essential for elevating the club's reputation and ensuring smooth day-to-day operations, which is why investing in such programs would be a valuable step forward.

The Officers Club Quetta faces multiple challenges in maintaining operational efficiency, meeting quality standards, and ensuring financial sustainability. These challenges include inadequate funding, lack of professional management, poor maintenance practices, insufficient marketing efforts, and gaps in customer service quality.

Addressing these challenges through a Public-Private Partnership could offer a path forward, allowing for improved operational standards, increased revenue, and enhanced guest experiences that align with modern hospitality standards.

4. Project Scope

Objectives of the Outsourcing Initiative

The outsourcing of the Officers Club Quetta aims to rejuvenate the facility by implementing strategic, professional management practices under a public-private partnership model. The overarching goal is to transform the club into a vibrant, well-maintained, and high-quality establishment that consistently delivers exceptional hospitality and recreational experiences. It is envisaged to convert the facility to a minimum three-star facility.

Primary Objective

The primary aim of this outsourcing initiative is to transform the Officers Club Quetta into a well-functioning, high-quality recreational and hospitality establishment. This transformation will occur through a structured Public-Private Partnership (PPP) that ensures the club's long-term sustainability and superior service standards.

By engaging a private entity with the expertise and resources necessary to run a top-tier facility, the Balochistan Public Private Partnership Authority (BPPPA) seeks to revitalize the club, making it a benchmark in hospitality within the region.

Quality Improvement

A key aspect of this initiative is enhancing the overall quality of services offered at the Officers Club. This will be achieved through professional management practices, which include employing well-trained staff, maintaining consistent upkeep of the property, and ensuring that the facilities are regularly updated and improved. Quality improvement is paramount in building a reputation for the club that rivals top hospitality establishments and caters to the evolving needs of both local and international visitors.

Additionally, efforts will focus on modernizing the existing infrastructure to align with global standards. This includes upgrading rooms, optimizing the kitchen and dining facilities, enhancing recreational areas, and introducing smart technology for efficient operations.

The club will emphasize cleanliness, customer service excellence, and attention to detail to provide an unmatched experience.

Revenue Generation

Financial viability is another critical objective of this project. The club must not only sustain itself but also generate significant revenue to support future growth and maintenance. To achieve this, a diversified revenue model will be introduced. The model will encompass various income streams, including:

- **Accommodation Services**: Promoting the luxurious suites and rooms as premium lodging options for visitors, including government officials, tourists, and business travelers.
- **Membership Programs**: Offering exclusive memberships that provide benefits like priority booking, special events, and access to premium recreational facilities.
- **Event Hosting**: Utilizing the club's well-equipped halls for hosting corporate meetings, weddings, social gatherings, and conferences.
- **Recreational Facilities**: Charging fees for the use of the squash and tennis courts, gym, and other sports facilities, with options for membership or pay-per-use.

By pursuing a holistic approach, the club will attract more visitors and generate steady income, making it a financially sound establishment.

Target Outcomes

The successful execution of this outsourcing project is expected to yield several significant outcomes, transforming the Officers Club Quetta into a hub of hospitality and leisure.

Enhanced Guest Experience

The club will aim to provide a luxury experience that caters to the expectations of both local patrons and out-of-town guests. By implementing high-quality standards in accommodation, dining, and recreation, the club will become a preferred destination for leisure and business events. The enhanced guest experience will be marked by:

- **Comfort and Convenience**: Modern, well-furnished suites and rooms equipped with the latest amenities.
- **Exceptional Service**: Polite, well-trained staff offering personalized attention and quick service.
- **Recreational Excellence**: World-class sports and fitness facilities, ensuring a satisfying experience for all guests.

Moreover, a focus on guest feedback and continuous improvement will ensure that the club remains responsive to visitor needs and expectations.

Operational Efficiency

Operational efficiency will be a cornerstone of the project, achieved through the expertise of the private sector in hospitality management. This efficiency will manifest in the seamless coordination of services, optimized use of resources, and the minimization of waste. The new management will employ technology-driven solutions to streamline operations, such as automated booking systems, real-time maintenance alerts, and efficient staff scheduling.

Regular audits and performance evaluations will be conducted to maintain high standards of operation. The goal is to create a well-organized and smoothly functioning facility that consistently meets the needs of its guests without sacrificing quality or efficiency.

Brand Recognition

The transformation of the club into a premium establishment will be accompanied by strategic marketing and outreach efforts to boost brand recognition. This will include:

- **Targeted Advertising**: Promoting the club's facilities through digital marketing, social media campaigns, and partnerships with local businesses.
- **Community Engagement**: Hosting public events, workshops, and wellness programs to increase community involvement and awareness.
- **Word-of-Mouth Referrals**: Providing memorable experiences that encourage guests to recommend the club to friends, family, and colleagues.

By creating a strong brand identity, the club will attract a diverse clientele, from corporate groups to leisure travelers, and establish itself as a premier destination in Quetta.

5. Proposed Modifications in the Facility

The primary objective of the private party, along with O&M of the facility, is to upgrade and expand the facility to a minimum three-star facility. The following will be included as part of upgradation of the project.

- **Enhancement of Rooms to a minimum 30 key facility**
  The private partner will be responsible to upgrade the facility to a minimum 30 key facility including the existing 08 rooms and 06 suites. There is ample space available to upgrade the property and modification/new construction on the property will be allowed.

- **Construction of a Swimming Pool**
  The addition of a swimming pool to enhance the recreational amenities and overall appeal of the Officers Club.

- **Construction of Sauna, Steam and Jacuzzi Facility**
  Inclusion of sauna, steam and jacuzzi facilities to promote wellness and relaxation for club members and guests.

- **Upgradation of health/Fitness Center/Gymnasium**
  The private party will upgrade the health and fitness center to optimum level, providing a sound experience to visitors and members.

- **Opening New Restaurants and Dining Facility / Banquet Facility**
  With availability of space, the private party will open up new restaurants and dining facility to host guests and serve them with local and national cuisines.

- **Coffee Shop and Café**
  The facility will boast a coffee shop and a café to provide a comfortable and casual setting for members and visitors.

- **Roof-Top Development**
  Utilization of the roof-top area for leisure activities or gatherings, offering a scenic and functional space tentatively developing **walking Track, Tennis and Squash Court**

- **Upgradation of overall amenities and ambiance**
  The private party is expected to upgrade the overall facilitation including installation of lifts and other amenities and improve overall ambiance of the facility.

Approval for Facility Upgradation:

Post award of the project, the private party will assess the current property and submit their 'Facility Upgradation Plan' to the PSC for endorsement after due vetting by the Independent Engineer and the Independent Auditor.

The 'Facility Upgradation Plan' shall include all the architectural, engineering (civil, mechanical, electrical), and details BOQs for the facility with cost estimates.

Details of available Area on QOC:

S.NO	LEVELS AND FUNCTIONS	AREAS
1.	Plot Area	**1.44 Acre**
2.	Proposed Building foot print	**13,330 Sqft**
3.	Proposed Basement - parking floor, service core	**13,330 Sqft (40 No. cars)**
4.	Ground floor – café, swimming pool and souvenir shops	**13,330 Sqft**
5.	First floor – rooms, common lounge and library	**13,330 Sqft**
6.	Roof top – tennis, badminton court and kiosks	**2590 Sqft**
7.	Addition of second floor above existing building with addition of ~20 rooms	**12875 Sqft**

Further, covered area details for each floor/level is provided in the concept design document, a tentative design to gauge the level of development and corresponding investment.

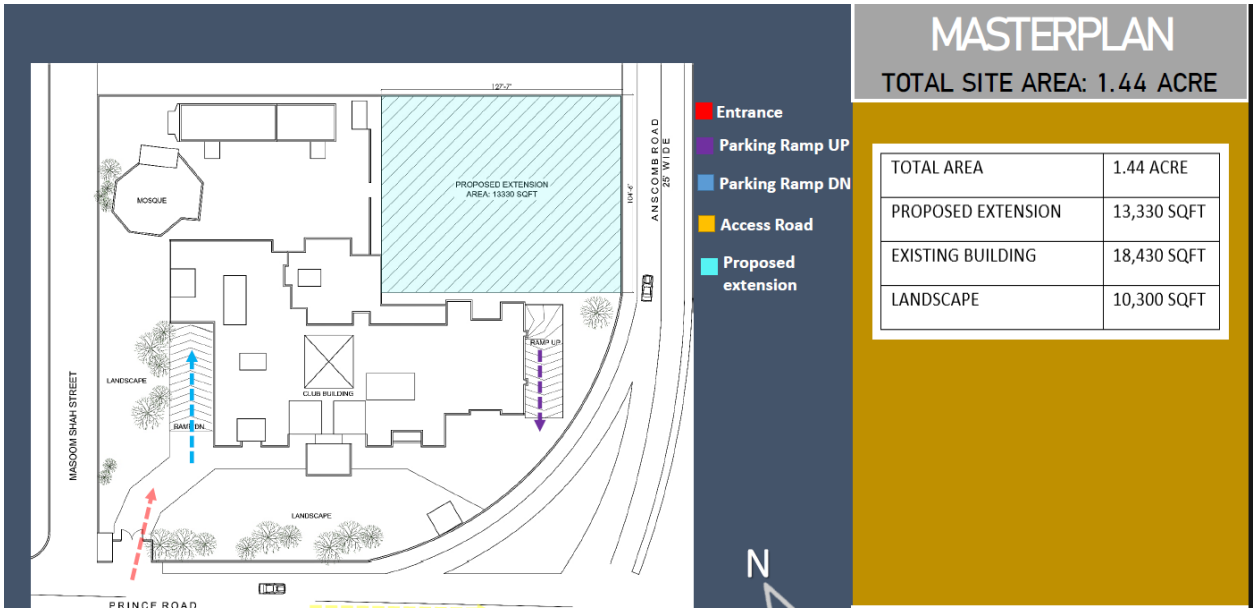
6. *Proposed Design of the Building*

i. Front View:

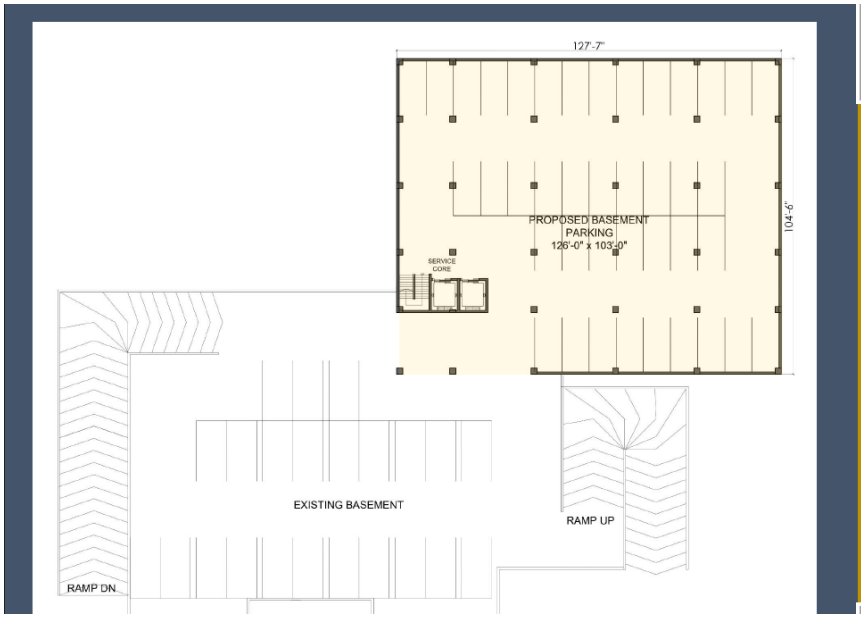
ii. 3D Views:

50

ARCHITECTURAL DRAWINGS (PROPOSED)



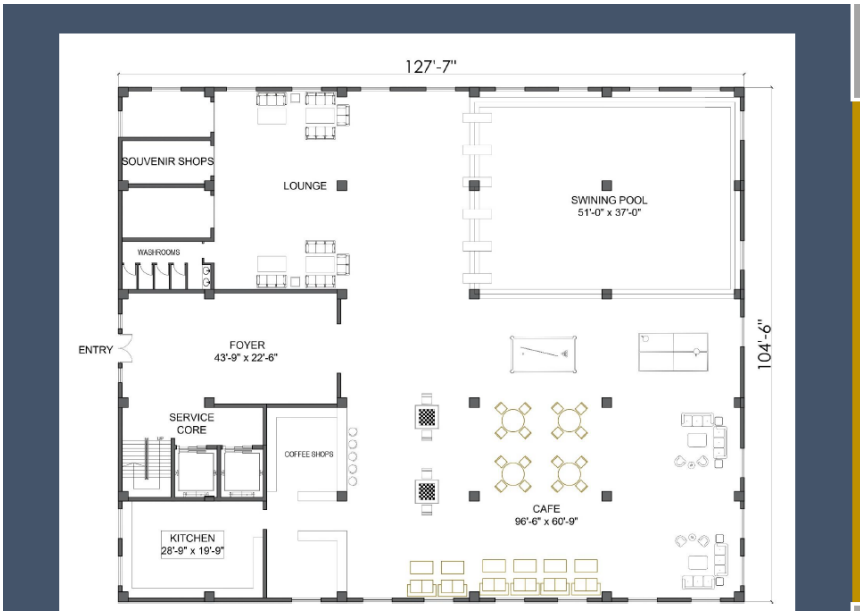
TOTAL AREA	1.44 ACRE
PROPOSED EXTENSION	13,330 SQFT
EXISTING BUILDING	18,430 SQFT
LANDSCAPE	10,300 SQFT



PROPOSED BASEMENT

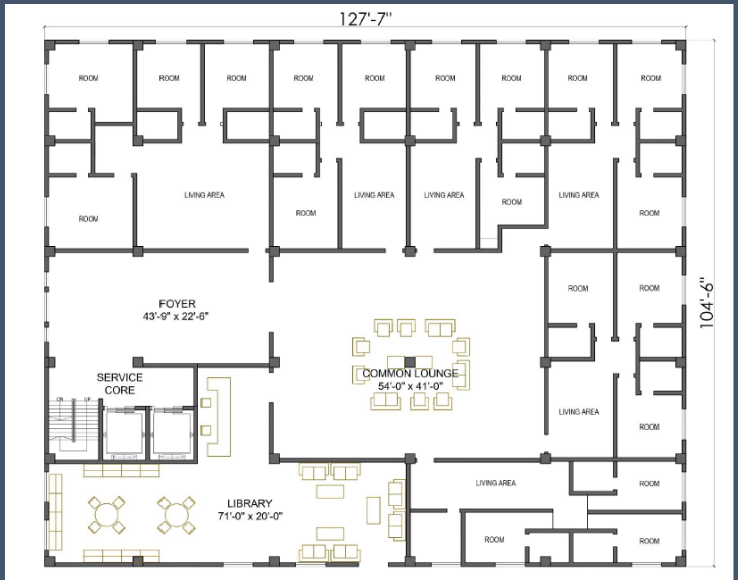
COVERED AREA: 13,330 SQFT

EXISTING BASEMENT COVERED AREA	18,290 SQFT
PROPOSED BASEMENT COVERED AREA	13,330 SQFT
SERVICE CORE	360 SQFT
NO. OF CARS	40 CARS



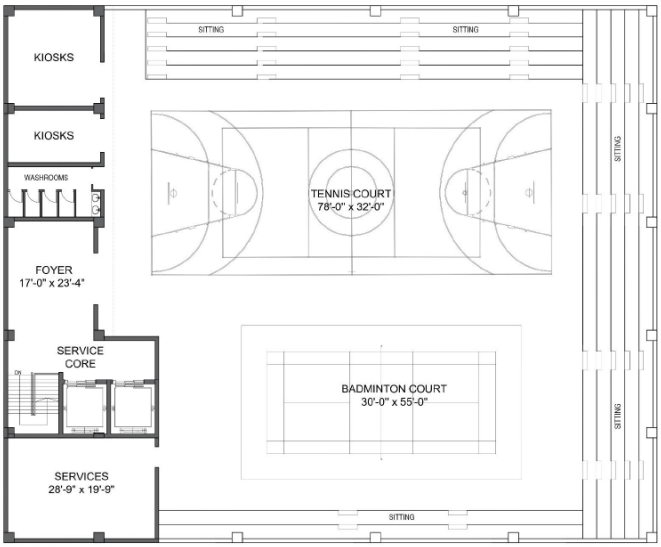
GROUND FLOOR

GROUND FLOOR COVERED AREA	13,330 SQFT
ENTRANCE FOYER	990 SQFT
SERVICE CORE	360 SQFT
SWIMIMG POOL	2,255 SQFT
CAFETERIA	5,530 SQFT
KITCHEN	565 SQFT
SOUVENIR SHOPS	540 SQFT
WASHROOMS	175 SQFT
LOUNGE	2,095 SQFT



FIRST FLOOR

FIRST FLOOR COVERED AREA	13,330 SQFT
ENTRANCE FOYER	990 SQFT
SERVICE CORE	360 SQFT
ROOMS	7,730 SQFT
LIBRARY	1,675 SQFT
COMMON LOUNGE	2,212 SQFT



ROOFTOP FLOOR

ROOF TOP COVERED AREA	2,590 SQFT
ENTRANCE FOYER	392 SQFT
SERVICE CORE	360 SQFT
KIOSKS	540 SQFT
BADMINTON COURT	1640 SQFT
TENNIS COURT	2500 SQFT
SERVICES AREA	565 SQFT
WASHROOMS	175 SQFT

7. Benefits to the Government

By undertaking the project on public-private partnership mode, the Government of Balochistan will entail following benefits:

- **Expansion, renovation and upgradation of overall property:**

  The private party will be responsible to expand and upgrade the facility at its own expense and self-raised finances. The GoB will not commit to invest any amount in the project. It may be noted that the GoB has recently invested PkR 150 Million in the facility.

  Towards the end of the project tenor, the GoB will get back the entire property at zero cost to the Government.

- **Accommodation for Government Officials at Reduced/subsidized Costs:**

  One of the primary purposes of the facility is to host government guest and officials. Based on provision of NOC by S&GAD, the Government officials and guests will be accommodated at subsidized rates. The process for rooms availability for the government officials and guest shall be devised by the private partner and approved by the PSC. On daily basis, a maximum of 20% rooms shall be available on subsidized rates.

  The rates will be determined by the S&GAD through the PSC but shall carry a discount of 40% to 60% from the regular room and services rates. The regular rates will be set according to the prevalent market conditions by the private partner.

- **Zero Operational Costs for the Government:**

  The existing financial burden of operational costs is entirely eliminated for the government, ensuring diversion of such resources to priority sectors.

  Further, Government will not be committing to any funds to run the day-to-day operations of the facility. The cost will be borne by the private partner.

- **Revenue Sharing:**

  The government will benefit from a revenue-sharing arrangement, contributing to its financial sustainability and growth.

- **Membership Facility for Government Employees**

  The facility will offer membership to Government Employees for using the recreational facilities along with the Gymnasium and health center facility. With current proposed total memberships of around 250 members, 50% will be allocated for the Government employees, after due provision of NOC by the S&GAD.

PART 2 – SCOPE OF WORKS AND SERVICES

1. Introduction

The Quetta Officers Club (QOC) is being outsourced under a Public-Private Partnership (PPP) model to improve its service quality, operational efficiency, and financial sustainability. The private partner will be responsible for upgrading, operating, and maintaining the facility to a minimum three-star hospitality standard.

The proposed PPP intervention will ensure that QOC is transformed into a self-sustaining, high-quality hospitality facility. By leveraging private sector expertise, investment, and management efficiency, this initiative aims to enhance guest experiences, financial sustainability, and overall operational excellence in line with modern hospitality standards.

2. Responsibilities of the Private Partner

2.1 Proposed Design, Development & Upgradation

The private partner shall be responsible for:

(i) Infrastructure Expansion: Expanding the facility to a total of minimum 30 rooms (including existing suites and guest rooms).

(ii) New Facilities Addition:

- Swimming pool with sauna, jacuzzi, steam and modernized fitness/gymnasium center.
- New restaurants, dining and banquet areas.
- Coffee shop and café.
- Roof-top development for events and leisure along with Walking track, squash and other sports facilities, as possible for recreational purposes.

(iii) Renovation & Modernization:

- Upgrading existing guest rooms, suites, halls, and sports facilities.
- Enhancing interior design to align with a three-star hospitality standard.
- Implementing eco-friendly practices and energy-efficient solutions.

2.2 Operations & Management

(i) Facility Management: Ensuring smooth operations and upkeep of all club amenities.

(ii) Housekeeping & Hygiene: Maintaining high cleanliness and hygiene standards.

(iii) Guest Services: Implementing premium hospitality practices to enhance guest experiences.

(iv) Security & Safety: Providing 24/7 security, fire safety compliance, and emergency response systems.

(v) Staff Recruitment & Training: Hiring skilled professionals and providing ongoing training programs.

(vi) Hospitality Management Services: Utilizing hospitality management systems for bookings, security, and customer service.

2.3 Marketing & Revenue Generation

(i) Brand Development: Establishing QOC as a premium hospitality destination.

(ii) Promotional Campaigns: Implementing digital and traditional marketing strategies.

(iii) Membership Programs: Offering exclusive memberships for government officials and other patrons.

(iv) Event Hosting: Organizing corporate events, social gatherings, and government meetings.

(v) Revenue Diversification:

- Hotel accommodation.
- Food & beverage services.
- Sports and wellness facilities.
- Banquet and conference hall rentals.
- Other auxiliary services.

2.4 Maintenance & Compliance

(i) Regular Maintenance: Ensuring preventive and corrective maintenance of infrastructure and amenities.

(ii) Environmental Compliance: Implementing eco-friendly initiatives such as waste management and energy conservation.

(iii) Health & Safety Standards: Complying with local and international safety regulations.

(iv) Guest Feedback Mechanism: Establishing a structured approach for customer feedback and continuous improvement.

3. Governance, Monitoring & Evaluation

3.1 Performance Monitoring

(i) Independent Oversight: Compliance monitoring by an independent auditor and engineer.

(ii) Service Quality Standards: Regular evaluations to maintain hospitality benchmarks.

(iii) Annual Audits: Financial and operational audits for transparency and accountability.

3.2 Compliance & Reporting

(i) Periodic Performance Reports: Submission of operational, financial, and maintenance reports to the Government of Balochistan (GoB).

(ii) Transparency Measures: Regular public disclosures on club performance and financial sustainability.

3.3 Governance & Contractual Obligations

(i) PPP Contract Adherence: The agreement shall outline renewal and termination conditions.

(ii) Facility Handover: At the end of the contract, QOC will be returned to GoB in excellent condition, at zero cost, in case the contract is not extended.

4. Implementation Timeline

(i) Year 1-2: Design, approvals, construction, and upgradation.

(ii) Year 3-16: Full-scale operations, maintenance, marketing, and revenue generation.

(iii) End of Year 17: Handover of a maintained facility to the Government of Balochistan.

PART 3 – ANNEXURES

VOLUME III – CONCESSION AGREEMENT AND APPENDICES

DRAFT PPP AGREEMENT

PUBLIC PRIVATE PARTNERSHIP AGREEMENT

EXECUTED AMONG

BALOCHISTAN PUBLIC-PRIVATE PARTNERSHIP AUTHORITY,
PLANNING & DEVELOPMENT DEPARTMENT,
GOVERNMENT OF BALOCHISTAN
(As the **"Primary Implementing Agency"**)

AND

SERVICES & GENERAL ADMINISTRATION DEPARTMENT,
GOVERNMENT OF BALOCHISTAN
(As the **"Secondary Implementing Agency"**)

AND

[•]

(As The **"Concessionaire"**)

DATED:
SEPTEMBER [•], 2025

AT:
Quetta, Balochistan

IN RESPECT OF
EXPANSION, OPERATION, AND MAINTENANCE OF
"OFFICERS' CLUB QUETTA",
UNDER THE PUBLIC PRIVATE PARTNERSHIP MODE ON
'DESIGN, BUILD, FINANCE, OPERATE, MAINTAIN, AND TRANSFER' (DBFOM) BASIS

UNDER THE
BALOCHISTAN PUBLIC PRIVATE PARTNERSHIP ACT, 2021

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PUBLIC PRIVATE PARTNERSHIP AGREEMENT

This **PUBLIC PRIVATE PARTNERSHIP AGREEMENT** (this **"Agreement"**) is made at [•], [•] on the [•] day of May, 2025.

BY & BETWEEN

BALOCHISTAN PUBLIC PRIVATE PARTNERSHIP AUTHORITY – PLANNING & DEVELOPMENT DEPARTMENT, GOVERNMENT OF BALOCHISTAN, having its registered offices at Room No. 35, 2nd Floor, P&D Department, Block No.13, Civil Secretariat, Zarghoon Road, Quetta, Balochistan (hereinafter referred to as the **"Primary Implementing Agency"**, which expression shall, where the context so permits include its successors-in- interest and permitted assigns).

AND

SERVICES & GENERAL ADMINISTRATION DEPARTMENT, GOVERNMENT OF BALOCHISTAN, having its registered offices at [•] (hereinafter referred to as the **"Secondary Implementing Agency"**, which expression shall, where the context so permits include its successors-in-interest and permitted assigns).

AND

[•], registered under the laws of the Islamic Republic of Pakistan, having its registered office [•] through [•] an authorised representative, CNIC No. [•] (hereinafter referred to as the **"Concessionaire"**, which expression shall, where the context so permits, include its successors- in-interest and permitted assigns).

(The Primary Implementing Agency and the Secondary Implementing Agency shall hereinafter be collectively referred to as the **"Implementing Agencies"** and individually as an **"Implementing Agency"**).

(The Primary Implementing Agency, the Secondary Implementing Agency, and the Concessionaire shall hereinafter be collectively referred to as the **"Parties"** and individually as a **"Party"**).

RECITALS

WHEREAS**:**

(A) The Primary Implementing Agency held its sixth (6th) board meeting on June 13, 2025, wherein the Primary Implementing Agency's board approved the expansion, operation and maintenance of the Club under public-private partnership modality on a design, build, finance, operate, maintain and transfer basis (the "**Project**"). For the purposes of the same, the Primary Implementing Agency's board further agreed to incorporate an amount equal to PKR 150,000,000/- (Pak Rupees One Hundred and Fifty Million) to financial structuring of the Project with the aim to receive maximum returns for the GoB (the "**Decision**").

(B) To implement the Decision, the Implementing Agencies are now desirous of appointing a private party to undertake the Project with private sector expertise and resources for the Project.

(C) On [•], 2025 a request for proposal (together with the related advertisements) (the **"RFP"**) was issued by the Primary Implementing Agency to prospective bidders for, *inter alia*, inviting submission of bids for grant of this Agreement for the implementation of the Project through public private partnership and subsequently, upon conclusion of the bidding process pursuant to the RFP (the **"Bidding Process"**), the Sponsor was selected by the Primary Implementing Agency for such purposes. The letter of award was issued to the Sponsor by the Primary Implementing Agency on [•].

(D) In accordance with the requirements of the RFP and the terms of the Bid (as defined herein below) submitted by the Sponsor, the Sponsor incorporated the Concessionaire as a special purpose vehicle to implement the Project and the Implementing Agencies have agreed to grant to the Concessionaire the right and obligation to implement the Project on the terms and conditions contained in this Agreement.

(E) The Concessionaire represents and warrants that it possesses the requisite resources, skills and expertise to implement and run the Project as desired by the Implementing Agencies strictly in accordance with this Agreement.

(F) The Parties are entering into this Agreement to set out the terms and conditions applicable to, *inter alia*, the implementation of the Project and the relationship of Implementing Agencies and the Concessionaire and their rights and obligations.

NOW THEREFORE, in view of the foregoing promises and in consideration of the mutual benefits to be derived and the representations and warranties, covenants, and agreements contained herein, the Parties hereby agree as follows:

1. *DEFINITIONS AND INTERPRETATION*

1.1 DEFINITIONS

In this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

"Affected Party" shall bear the meaning as ascribed thereto in Clause 15.1.1;

"Agreement" shall mean this Agreement as of date hereof together with the schedules and annexures attached hereto as already ascribed into this Agreement;

"Applicable Laws" shall mean any laws, promulgated or brought into force and effect by the GOP, the GOB or any local government having jurisdiction over the Project, as well as rules, regulations, orders, and notifications made pursuant to such laws, as well as, *inter alia*, judgments, decrees, injunctions, writs and orders of any Pakistan court, as may be applicable;

"Applicable Permits" shall mean any permissions, clearances, concessions, authorizations, consents, licences, permits, waiver, privileges, rulings, exemptions, no objections, resolutions, filings, orders, notarizations, lodgements or registrations or approvals of whatsoever nature that are required to be obtained from time to time in connection with the Project and for the undertaking, performing or discharging the obligations contemplated by this Agreement in accordance with the Applicable Laws;

"Arbitration" shall bear the meaning as ascribed thereto in Clause 18.2.2;

"Arbitration Act" shall mean the Pakistan Arbitration Act, 1940;

"Arbitrator" shall bear the meaning as ascribed thereto in Clause 18.2.2;

"Award" shall bear the meaning as ascribed thereto in Clause 18.2.5;

"Bid" shall mean the bid submitted the Sponsor as per the RFP;

"Bid Due Date" shall mean the date on which the bidders were required to submit their bids for the Project in accordance with the RFP;

"Bidding Process" shall have the same meaning as ascribed thereto in the recitals of this Agreement;

"Bid Security" shall mean the bank guarantee, pay order or demand draft for an amount constituting PKR 12,000,000/- (Pakistani Rupees Twelve Million Only), as submitted by the Concessionaire to the Primary Implementing Agency along with the Bid, as more particularly described in the RFP;

"Concession" shall bear the meaning as ascribed thereto in Clause 2.1.2;

"Concession Period" means, in respect of the Concession and the Club, the period commencing on the CP Completion Date and ending on the Trigger Date;

"Concessionaire" shall have the same meaning as set out in the preamble to this Agreement;

"Concessionaire's Employees" shall have the same meaning as ascribed thereto it in Clause 10.1.1;

"Concessionaire's Event of Default" shall mean any or all of the events that are listed in Clause 16.1;

"Construction Performance Security" means the performance security, in the form of a bank guarantee or a standby letter of credit, issued by a scheduled bank in Pakistan (with a minimum credit rating of at least '[•]' as rated by JCR VIS or an equivalent rating by PACRA) acceptable to the Implementing Agencies, being in an amount equal to PKR [•]/- (Pakistani Rupees [•]Only), calculated as 5% of the quoted bid 'Investment Amount', furnished by the Concessionaire to the Primary Implementing Agency in accordance with Clause 9 (*Performance Security*), in case of a bank guarantee, the same shall be in form and substance as attached hereto as **SCHEDULE E – FORM OF CONSTRUCTION PERFORMANCE SECURITY**;

"Construction Performance Security Expiry Date" shall bear the meaning as ascribed thereto in Clause 9.1.3;

"Change in Law" shall mean the occurrence of any of the following subsequent to the Bid Due Date:

(a) the enactment of any new federal, provincial or local government law, as applicable in the Province of Balochistan;

(b) the repeal, modification, or re-enactment of any existing federal, provincial, or local government law, as applicable in the Province of Balochistan;

(c) the commencement of any federal, provincial or local government law, which has not entered into effect until the Bid Due Date;

(d) a change in the interpretation or application of any Applicable Law (as applicable in the Province of Balochistan) by a court of record as compared to such interpretation or application by a court of record prior to the Bid Due Date;

(e) the imposition by a Government Authority of any additional Applicable Permit;

Provided, that any:

(i) coming into effect, on or after the Bid Due Date, of any federal, provincial or local government law (or any provision thereof) (as applicable in the province of Balochistan) which is already gazetted in accordance with the Applicable Laws and the date of effectiveness whereof has

already been notified or declared, in each case, prior to the Bid Due Date; or

(ii) any new Applicable Law or any change in the existing Applicable Law under the active consideration of or in the contemplation of the GOB or the GOP on or prior to the Bid Due Date;

shall not constitute a 'Change in Law';

"Clause(s)" means clause(s) of this Agreement and as referenced herein;

"Conditions Precedents" or **"CP"** shall mean the obligations of the Concessionaire and the Implementing Agencies that are set out in Clause 3;

"Corrupt Practice" shall mean the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

"CP Completion Certificate" means a certificate to be jointly issued in writing by the Independent Engineer, the Independent Expert and the Independent Auditor to the Concessionaire and copied to the Implementing Agencies in accordance with Clause 3.4;

"CP Completion Date" shall mean the date jointly set out by the Independent Engineer, the Independent Expert and the Independent Auditor in the CP Completion Certificate as being the date on which the Conditions Precedent are fulfilled, deferred or waived but in any case;

"Day" shall mean a twenty-four (24) hour period beginning and ending at midnight Pakistan Standard Time;

"Detailed Expansion Plan" shall bear the meaning as ascribed thereto in Clause 4.8.2;

"Dispute" shall bear the meaning as ascribed thereto in Clause 18.1.1;

"Dispute Resolution Committee" shall bear the meaning as ascribed thereto in Clause 18.1.1;

"Effective Date" means the date on which this Agreement is signed by each of the Parties;

"Emergency" shall mean a condition or situation that:

(a) requires intervention by the Implementing Agencies to prevent harm, damage, danger or public unrest, or to maintain safe, adequate and continuous services, at the Club; and

(b) where performance of the O&M Works threatens the safety of the persons present at the Club;

"Expansion Completion" shall bear the meaning as ascribed thereto in Clause 4.8.10;

"Expansion Completion Certificate" means the certificate issued by the Independent Engineer at the request of the Concessionaire in accordance with Clause 4.8;

"Expansion Completion Cure Period" shall bear the meaning as ascribed thereto in Clause 7.6.2;

"Expansion Completion Date" shall mean the date set out by the Independent Engineer in the Expansion Completion Certificate as being the date on which the Expansion Related Activities are completed;

"**Expansion Completion Period Damages**" shall bear the meaning as ascribed thereto in Clause 7.6.2;

"Expansion Related Activities" shall mean any and all construction/expansion related activities, including but not limited to expansion of the Club, as stipulated in **SCHEDULE B – CONCESSIONAIRE'S SCOPE OF WORK**;

"Estimated Expansion Cost" means an amount equivalent to PKR [•] (Pakistani Rupees [•] Only) as stipulated in the Sponsor's Bid;

"EOD Remedy Period" shall bear the meaning as ascribed thereto in Clause 17.2.1(a) ;

"Event of Default" shall mean the Concessionaire's Event of Default or the Implementing Agencies' Event of Default or both as the context may admit or require;

"Expiry Date" means the date falling after 15 years from the Expansion Completion Date, provided, however, the same may be extended in accordance with this Agreement (and, as a result, the Concession and the Concession Period) and subject to the Applicable Laws;

"Financial Bid" shall mean the financial bid submitted by the Concessionaire during the Bidding Process and any subsequent revisions as permitted under the law, if any;

"Financial Year" shall mean the financial year of the Primary Implementing Agency on the instruction of the Government of Balochistan or Government of Pakistan, as the case may be;

"Force Majeure Event" shall bear the meaning as ascribed thereto in Clause 15.1.1;

"Force Majeure Notice" shall bear the meaning as ascribed thereto in Clause 15.2.1;

"Force Majeure Period" shall mean the period commencing from the date of occurrence of a Force Majeure Event and ending on the earlier of: (a) the date on which the Affected Party resumes or should have resumed such of its obligations the performance of which it was excused in terms of Clause 15.3.1; or (b) the Termination Date of this Agreement, as applicable;

"Fraudulent Practice" shall mean any action or omission, including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

"Good Industry Practice" shall mean the exercise of that degree of skill, diligence and prudence, and those practices, methods, specifications and standards of teaching, management, safety and performance, as may change from time to time and which would reasonably and ordinarily be expected to be used by a skilled and experienced concessionaire/operator in the operation and management of clubs similar to the Club;

"GOP" shall mean the Government of Pakistan;

"GOB" shall mean the Government of Balochistan;

"Government Authority" shall mean the GOP, the GOB, any local government or any other ministry, governmental department, commission, board, body, bureau, agency, authority, instrumentality, inspectorate, statutory corporation or body corporate over which the GOP or the GOB exercises control, court or other judicial or administrative body or official or Person, having jurisdiction over the Club or any portion thereof and the performance of obligations and exercise of rights of the Parties in accordance with the terms of the Agreement;

"Handing-over Criteria" shall mean the criteria for handing over the Club by the Secondary Implementing Agency to the Concessionaire in accordance with this Agreement, as set out in **SCHEDULE G – HANDING OVER CRITERIA**;

"Implementing Agencies Event of Default" shall bear the meaning as ascribed thereto in 16.2.1;

"Independent Auditor" shall bear the meaning as ascribed thereto in 5.1.1;

"Independent Auditor Appointment Term" shall bear the meaning as ascribed thereto in 5.1.5.;

"Independent Auditor Contract" means the contract to be entered into between the Concessionaire, the Independent Auditor and the Implementing Agencies any other Person agreed by the Parties, in accordance with this Agreement;

"Independent Engineer" shall bear the meaning as ascribed thereto in 5.2.1;

"Independent Engineer Appointment Term" shall bear the meaning as ascribed thereto in 5.2.4;

"Independent Engineer Contract" means the contract to be entered into between the Concessionaire and the Independent Engineer and any other Person agreed by the Parties, in accordance with this Agreement;

"Independent Expert" shall bear the meaning as ascribed thereto in 5.3.1;

"Independent Expert Appointment Term" shall bear the meaning as ascribed thereto in 5.3.4;

"Independent Expert Contract" means the contract to be entered into between the Concessionaire, the Implementing Agencies, and the Independent Expert and any other Person agreed by the Parties, in accordance with this Agreement;

"Club" shall mean the Quetta Officers' Club, to be expanded, operated and maintained in accordance with this Agreement, along with all its present and future assets, fixed and current assets, movable and immovable properties, the details of which are provided under **SCHEDULE A - CLUB**;

"KPIs" shall mean the "*Key Performance Indicators*" as set out in **SCHEDULE C – KEY PERFORMANCE INDICATORS**;

"Lapse of Consent" shall mean any Applicable Permit:

(a) ceasing to remain in full force and effect and not being renewed or replaced within the time period prescribed by the Applicable Laws for the renewal or replacement of such Applicable Permit or, where a time period is not prescribed by the Applicable Laws, within sixty (60) Days of such Applicable Permit ceasing to be in full force and effect;

(b) not being issued upon application has been properly and timely made and diligently pursued within the time period prescribed by the Applicable Laws or where a time period is not prescribed by the Applicable Laws, within sixty (60) Days of proper application being made for such Applicable Permit; and

(c) being made subject, upon renewal, or otherwise, to any terms or conditions that materially and adversely affect the Concessionaire's ability to perform its obligations under this Agreement.

"Licence" shall bear the meaning as ascribed thereto in Clause 12.1.1;

"Material Adverse Effect" shall mean the effect of any act or event which materially and adversely affects the ability of a Party to exercise its material rights or perform any of its material obligations under and in accordance with the provisions of this Agreement;

"Non-Political Event" shall bear the meaning as ascribed thereto in Clause 15.1.1(b);

"Notice of Intent to Terminate" shall bear the meaning as ascribed thereto in Clause 17.1.2;

"O&M Cost" shall mean the cost quoted by the Sponsor in its Financial Bid and relates to the costs incurred by the Concessionaire during performance of the O&M Works;

"O&M Performance Security" means the performance security, in the form of a bank guarantee or a standby letter of credit, issued by a scheduled bank in Pakistan (with a minimum credit rating of at least '[•]' as rated by JCR VIS or an equivalent rating by PACRA) acceptable to the Implementing Agencies, being in an amount equal to PKR 15,000,000/- (Pakistani Rupees Fifteen Million Only), furnished from time to time by the Concessionaire to the Primary Implementing Agency in accordance with Clause 9 (*Performance Security),* in

case of a bank guarantee, the same shall be in form and substance as attached hereto as **SCHEDULE E1 – FORM OF O&M PERFORMANCE SECURITY**;

"**O&M Performance Security Expiry Date"** shall bear the meaning as ascribed thereto in Clause 9.2A.3 of this Agreement.

"O&M Works" or **"O&M"** shall mean the works relating to the operation and maintenance of the Project during the Concession Period, as more particularly described in **SCHEDULE B – CONCESSIONAIRE'S SCOPE OF WORK**;

"Operational Year" means a period of one (1) year commencing on each consecutive anniversary of the Expansion Completion Date and ending as of the end of the day preceding the next anniversary of the Expansion Completion Date, except for the first (1st) Operational Year which shall start on the Expansion Completion Date;

"Other Agreements" means:

(a) the Independent Auditor Contract;

(b) the Independent Engineer Contract; and

(c) the Independent Expert Contract.

"Pakistan" shall mean the Islamic Republic of Pakistan;

"Party" shall bear the meaning as ascribed thereto in the preamble of this Agreement;

"Payment Error" shall bear the meaning as ascribed thereto in Clause 6.5.9;

"**PDF Cost**" shall bear the meaning as ascribed thereto in Clause 20.14.1;

"Primary Implementing Agency" shall have the same meaning as ascribed thereto in the preamble to this Agreement;

"Person" means any individual, company, corporation, partnership, joint venture, trust, unincorporated organisation or any other legal entity;

"PKR" or **"Pakistani Rupees"** shall mean the lawful currency of Pakistan;

"Political Event" shall bear the meaning as ascribed thereto in Clause 15.1.1(a);

"Project" shall, in addition to the meaning as ascribed thereto in the recitals of this Agreement, mean the following:

(a) taking over and exercising the possession, control, management and administration of the Club, as per the terms of this Agreement;

(b) executing the Expansion Related Activities;

(c) performing the O&M Works;

(d) ensuring to meet the KPIs at all times during the Concession Period; and

(e) handing over the Club back to the Secondary Implementing Agency on the Trigger Date.

"Project Contract Party" shall bear the meaning as ascribed thereto in Clause 6.2.2 of this Agreement.

"Project Steering Committee" or **"PSC"** shall mean the committee constituted in accordance with this Agreement and shall be responsible for the overall policy support and implementation supervision of the Project, as stipulated in this Agreement;

"Proposed Expansion Plan" shall bear the meaning as ascribed thereto in Clause 4.8.1;

"Request For Proposal" or **"RFP"** shall bear the meaning as ascribed thereto in the recitals of this Agreement;

"Remedial Action Notice" shall bear the meaning as ascribed thereto in Clause 17.1.1;

"Remedial Period" shall bear the meaning as ascribed thereto in Clause 17.1.1;

"Revenue(s)" shall mean all revenues generated by the Concessionaire from the Project, as well as any other revenues generated pursuant to this Agreement or otherwise, including, but not limited to, revenues derived from:

(a) renting out the luxurious suites and rooms as premium lodging options for visitors, including government officials, tourists, and business travellers;

(b) offering exclusive memberships that provide benefits like priority booking, special events, and access to premium recreational facilities.

(c) utilizing the Club's well-equipped halls for hosting corporate meetings, weddings, social gatherings, and conferences.

(d) charging fees for the use of the squash and tennis courts, gym, and other sports facilities, with options for membership or pay-per-use; and

(e) any other ancillary income streams arising directly or indirectly from the activities conducted at the Club;

"Sanction-able Practice" shall mean any Corrupt Practice, Fraudulent Practice, coercive practice or collusive practice;

"**Scheduled Expansion Completion Date**" means the date falling [●] ([●]) months from the CP Completion Date;

"Secondary Implementing Agency" shall have the same meaning as ascribed thereto in the preamble to this Agreement;

"**Share Trigger Date**" shall bear the meaning as ascribed thereto in Clause 7.4.1 of this Agreement.

"Sponsor(s)" means the consortium of [•] (as lead member), [•]; and [•];

"Success Fee" shall bear the meaning as ascribed thereto in Clause 20.15.1;

"Taking Over Criteria" shall mean the criteria for take-over of the Club by the Secondary Implementing Agency in accordance with this Agreement, as set out in **SCHEDULE H – TAKING OVER CRITERIA**;

"Trigger Date" shall mean:

(a) in case of early Termination of this Agreement prior to the end of the Concession Period, the Termination Date; and

(b) in case of the end of the Concession Period, the last day of the Concession Period.

"Taxes" shall mean all taxes, levies, imposts, cesses, duties and other forms of taxation, including (but without limitation) income tax, sales tax, value-added tax, service tax, entry tax, corporation profits tax, advance corporation tax, capital gains tax, residential and property tax, customs and other import and export duties, excise duties, stamp duty or capital duty, and any interest, surcharge, penalty or fine in connection therewith which may be payable by the Concessionaire;

"Termination" shall mean the termination of this Agreement upon the issuance of a Termination Notice in accordance with the terms hereof;

"Termination Date" shall mean the date on which this Agreement is terminated by a Termination Notice;

"Termination Notice" shall mean a notice issued by a Party to the other Party terminating the Agreement in accordance with the terms hereof;

"Unscheduled Closure" shall bear the meaning as ascribed thereto in Clause 6.3.6;

1.2 RULES OF INTERPRETATION

1.2.1 In this Agreement unless the context otherwise requires:

(a) references to any legislation or any provision thereof shall include amendment or re- enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;

(b) references to laws of Pakistan or Pakistan law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye laws or notifications which have the force of law in the territory of Pakistan and as from time to time may be amended, modified, supplemented, extended or re-enacted;

(c) any agreement, consent, approval, authorisation, notice, communication, information or report required under or pursuant to this Agreement from or by any Party, the Independent Engineer, the Independent Expert or the Independent Auditor shall be valid and effective only if it is in writing under the hand of a duly authorised representative of such Party, the Independent Engineer, Independent Expert or the Independent Auditor, as the case may be, in this behalf and not otherwise;

(d) any reference to any period of time means a reference to that according to Pakistan Standard Time;

(e) any reference to day means a reference to a calendar day as per the Gregorian Calendar;

(f) references to a "business day" shall be construed as a reference to a day (other than Saturday, Sunday or a gazetted holiday) on which banks in Pakistan are generally open for business;

(g) any reference to month means a reference to a calendar month as per the Gregorian calendar;

(h) the word importing the singular means the plural and vice-versa; and words importing the masculine shall include the feminine and neuter and vice-versa;

(i) where any word or expression is given a defined meaning, any other grammatical form of that word or expression shall have the corresponding meaning, where the context requires;

(j) the Schedules and Recitals to this Agreement form an integral part of this Agreement and shall be in full force and effect as though they were expressly set out in the body of this Agreement;

(k) references to Recitals, Articles, Clauses, or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Articles, Clauses, and Schedules of or to this Agreement, and references to a Paragraph shall, subject to any contrary indication, be construed as a reference to a Paragraph of this Agreement or of the Schedule in which such reference appears;

(l) the headings and sub-headings in this Agreement (and references to them) are included for convenience only and shall not be taken into account in interpreting this Agreement;

(m) the references to any agreement or deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may, from time to time, be amended, varied, supplemented or novated;

(n) a requirement that a payment be made on a Day which is not a business day shall be construed as a requirement that the payment be made on the next business day; and

(o) the words "written" and "in writing" includes a facsimile transmission and any means of reproducing works in a tangible and permanently visible form.

1.2.2 The rule of interpretations, if any, that a contract should be interpreted against the parties responsible for the drafting and preparation thereof, shall not apply.

1.2.3 Any word or expression used in this Agreement shall, unless otherwise defined or construed in this Agreement, bear its ordinary English meaning.

1.3 COSTS FOR DOCUMENTS

1.3.1 Unless expressly provided otherwise in this Agreement, any documentation required to be provided or furnished by the Concessionaire to the Implementing Agencies, the Independent Engineer, the Independent Expert and/or the Independent Auditor or any other relevant person so appointed or nominated by the Implementing Agencies and/or any other person legally so required shall be provided free of cost and in three (3) copies, and if the Implementing Agencies, the Independent Engineer, the Independent Expert and/or the Independent Auditor is required to return any such documentation with their comments and/or approval, they shall be entitled to retain one (1) copy thereof.

2. *CONCESSION*

2.1 APPOINTMENT OF CONCESSIONAIRE

2.1.1 The Implementing Agencies hereby appoint the Concessionaire for the implementation of the Project and to perform all its obligations set out in this Agreement, and the Concessionaire does hereby undertake and confirm to implement the Project and perform the obligations as per and in accordance with the terms and conditions set out in this Agreement.

2.1.2 In consideration of the Concessionaire's obligations contained in this Agreement and relying on the Concessionaire's representations, warranties and covenants contained herein, the Implementing Agencies, subject to the terms of this Agreement, hereby authorize the Concessionaire, for the duration of the Concession Period, to implement the Project in accordance with the terms and conditions as set forth in this Agreement (the **"Concession"**).

2.1.3 The Concessionaire agrees and undertakes to implement the Project in accordance with the terms of this Agreement.

2.2 NOT USED

2.2.1 Not Used.

2.3 EXPIRY OF CONCESSION PERIOD

2.3.1 This Agreement shall expire on the Expiry Date (if not extended), and upon the Trigger Date, the Concessionaire shall hand-over the Club to the Secondary Implementing Agency as per and in accordance with the Taking-Over Criteria.

2.4 EXTENSION OF CONCESSION PERIOD

2.4.1 The Concessionaire may request an extension of the Concession Period by issuing a written notice to the Implementing Agencies at least six (6) months prior to the Expiry Date, provided, that at the time of the request, the Concessionaire is materially in compliance with its obligations under this Agreement and is not otherwise facing a default therein.

2.4.2 Within sixty (60) Days of receiving the Concessionaire's request, the Implementing Agencies have the right to accept or reject this request for extension at their sole and absolute discretion, and the same may be assessed by the Implementing Agencies with the assistance from Independent Auditor, and the Independent Expert. In the event the Implementing Agencies:

(a) accept the request, the Parties shall enter into such instruments, agreements, and arrangements (including any amendments in the Other Agreements) and on such terms and conditions, in each case, as mutually agreed between the Parties in accordance with the requirements of the Applicable Laws; or

(b) reject the request, the Implementing Agencies shall provide the Concessionaire with a written

response.

2.4.3 Notwithstanding anything contained to the contrary, the Parties agree that in the event (upon the Expiry Date) the Implementing Agencies decide to incorporate changes in the existing terms and condition of this Agreement and in the current Project structure that is a material change, the Implementing Agencies shall be entitled to offer the Project for rebidding to other prospective operators from the market to gauge competitive price.

3. *CONDITIONS PRECEDENT*

3.1 CONDITIONS PRECEDENT FOR CONCESSIONAIRE

3.1.1 Save and except as expressly provided herein, the respective obligations of the Parties shall be subject to the satisfaction (and/or waiver and/or deferral (as applicable) in accordance with the terms herein) in full of the Conditions Precedent, as specified in Clause 3.1.2, within the CP Closing Period.

3.1.2 The Concessionaire shall satisfy or procure the satisfaction of the following Conditions Precedent and provide the following information or copies of the following documents to the Implementing Agencies, the Independent Engineer, the Independent Expert and the Independent Auditor in any event within [•] ([•]) Days from the Effective Date (the **"CP Closing Period"**) and give notice to the Implementing Agencies not later than [•] ([•]) Days after the date of satisfaction of each condition:

(a) the Concessionaire has provided the Construction Performance Security to the Primary Implementing Agency, in accordance with this Agreement, that remains effective and valid till the Construction Performance Security Expiry Date;

(b) the Concessionaire has provided certified true copies of all its resolution and minutes of meetings adopted by the board of directors of the Concessionaire authorizing execution, delivery and performance of this Agreement;

(c) the Concessionaire has provided to the Primary Implementing Agency copies (with copies delivered to the Independent Engineer, the Independent Expert and the Independent Auditor) of its board resolution that duly authorizes:

(i) the Concessionaire to enter into this Agreement and to undertake the obligations, liabilities, as set out in this Agreement, and the transactions as contemplated by this Agreement;

(ii) a specified Person or Persons to:

(A) execute this Agreement on behalf of the Concessionaire with all its obligations and liabilities as set out in this Agreement; and

(B) undertake all other acts specifically relating to this Agreement, as contemplated by this Agreement;

(d) the Concessionaire has provided an undertaking (in the form and manner acceptable to the Implementing Agencies) that in the event that there is a change in shareholding of the Concessionaire, in accordance with this Agreement, then such change shall not affect the operations of this Agreement. The Concessionaire and any new or existing shareholders of the Concessionaire shall continue to abide by the provisions of this Agreement;

(e) the Concessionaire has obtained all the necessary Applicable Permits for the purpose of performance of the Concessionaire's obligations and the exercise of the Concessionaire's rights under this Agreement and that all such Applicable Permits are in full force and effect;

(f) the Concessionaire has provided written confirmation along with documentary proof that it has obtained all the necessary Applicable Permits as mentioned in 3.1.1(f) above;

(g) the Concessionaire has entered into the Independent Engineer Contract, within [•] Days of the Effective Date, for the appointment of the Independent Engineer after due approval of the PSC in accordance with this Agreement;

(h) the Concessionaire has entered into the Independent Auditor Contract, within [•] Days of the Effective Date, for the appointment of the Independent Auditor after due approval of the PSC in accordance with this Agreement;

(i) The Concessionaire has entered into the Independent Expert Contract, within [•] Days of the Effective Date, for the appointment of the Independent Expert after due approval of the PSC in accordance with this Agreement;

(j) the Success Fee in a form, substance and manner acceptable to the Primary Implementing Agency, has been delivered by the Concessionaire to the Primary Implementing Agency as stipulated in this Agreement;

(k) Not Used; and

(l) the Concessionaire has procured the approval of the Detailed Expansion Plan in accordance with Clause 4.8.

3.2 CONDITIONS PRECEDENT FOR IMPLEMENTING AGENCIES

3.2.1 The Implementing Agencies shall satisfy or procure the satisfaction of the following Conditions Precedent as soon as reasonably possible and in any event within the CP Closing Period and give notice to the Independent Auditor, the Independent Engineer, the Independent Expert and the Concessionaire no later than [•] ([•]) Days after the date of satisfaction of each condition, provided that the Implementing Agencies shall not be obligated to procure the satisfaction of any of the following Conditions Precedent unless the Concessionaire has fulfilled its Conditions Precedent specified in Clause 3.1:

(a) the Secondary Implementing Agency has handed over peaceful possession and reasonable control of the Club to the Concessionaire in accordance with the Handing-Over Criteria and has issued the Licence in accordance with this Agreement;

(b) prior to handover of the Club, the Secondary Implementing Agency has paid utility bills that are due and provide evidence of the same to the Concessionaire;

(c) the Implementing Agencies have entered into the Independent Engineer Contract, within **[•]** Days of the Effective Date, for the appointment of the Independent Engineer after due approval of the PSC in accordance with this Agreement;

(d) the Implementing Agencies have entered into the Independent Auditor Contract, within **[•]** Days of the Effective Date, for the appointment of the Independent Auditor after due approval of the PSC in accordance with this Agreement;

(e) the Implementing Agencies have entered into the Independent Expert Contract, within **[•]** Days of the Effective Date, for the appointment of the Independent Expert after due approval of the PSC in accordance with this Agreement; and

(f) the Implementing Agencies have entered into the Equity Funding & Utilization Agreement, within [•] Days of the Effective Date, with the Concessionaire, and the Sponsor.

3.3 WAIVER AND/ OR DEFERRAL OF CONDITIONS AND EXTENSION OF THE CP COMPLETION DATE.

3.3.1 The:

(a) Implementing Agencies may (at their discretion), on a mutual basis, waive and/or defer any of the Concessionaire's Conditions Precedent set forth in Clause 3.1.2. For the avoidance of doubt, the Implementing Agencies may, at their sole discretion, grant any waiver and/or deferral hereunder with such conditions as it may deem fit;

(b) Concessionaire may (at its discretion) waive and/or defer any of the Implementing Agencies' Conditions Precedent set forth in Clause 3.2.1. For the avoidance of doubt, the Concessionaire may, at its sole discretion, grant any waiver and/or deferral hereunder with such conditions as it may deem fit.

3.3.2 Notwithstanding anything contained herein, the CP Closing Period may be extended up to a period of ninety (90) Days or such longer period as may be mutually agreed between the Parties time to time.

3.4 CP COMPLETION CERTIFICATE & CP COMPLETION DATE

3.4.1 Each Party shall promptly inform the other Party in writing (together with copies delivered to the Independent Engineer, the Independent Expert and the Independent Auditor) when the Conditions Precedent for which it is responsible have been satisfied.

3.4.2 The Parties agree that:

(a) within thirty (30) Days of the Implementing Agencies' receipt from the Concessionaire, through the Independent Engineer, the Independent Expert and the Independent Auditor, evidence of satisfaction of a Concessionaire's Condition Precedent, the Implementing Agencies shall notify the Independent Engineer, the Independent Expert and the Independent Auditor in writing (with a copy to the Concessionaire) whether they have any objections on the satisfaction of such Concessionaire's Condition Precedent. In the event the Implementing Agencies does not raise any objection in writing on the satisfaction of a Concessionaire's Condition Precedent within thirty (30) Days as set out herein, such Concessionaire's Condition Precedent shall be deemed to be not objected to by the Implementing Agencies. In the event the Implementing Agencies raises any objections on the satisfaction of a Concessionaire's Condition Precedent and notifies the same to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Concessionaire) within the thirty (30) Days as set out herein, the Concessionaire shall address such objections and re-submit to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Implementing Agencies) evidence of satisfaction of such Concessionaire's Condition Precedent and the process in this Clause 3.4.2(a) shall be repeated until such time that the Implementing Agencies have not objected to or is deemed to have not objected to the satisfaction of such Concessionaire's Condition Precedent. The provisions of this Clause 3.4.2(a) shall apply to each Concessionaire's Condition Precedent for which evidence of satisfaction is submitted by the

Concessionaire to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Implementing Agencies) from time to time;

(b) within thirty (30) Days of the Concessionaire's receipt from the Implementing Agencies, through the Independent Engineer, the Independent Expert and the Independent Auditor, evidence of satisfaction of a Implementing Agencies' Condition Precedent, the Concessionaire shall notify the Independent Engineer, the Independent Expert and the Independent Auditor in writing (with a copy to the Implementing Agencies) whether it has any objections on the satisfaction of such Implementing Agencies' Condition Precedent. In the event the Concessionaire does not raise any objection in writing on the satisfaction of an Implementing Agencies' Condition Precedent within thirty (30) Days as set out herein, such Implementing Agencies' Condition Precedent shall be deemed to be not objected to by the Concessionaire. In the event the Concessionaire raises any objections on the satisfaction of a Implementing Agencies' Condition Precedent and notifies the same to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Implementing Agencies) within thirty (30) Days as set out herein, the Implementing Agencies shall address such objections and re-submit to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Concessionaire) evidence of satisfaction of such Implementing Agencies' Condition Precedent and the process in this Clause 3.4.2(b) shall be repeated until such time that the Concessionaire has not objected to or is deemed to have not objected to the satisfaction of such Implementing Agencies' Condition Precedent. The provisions of this Clause 3.4.2(b) shall apply to each Implementing Agencies' Condition Precedent for which evidence of satisfaction is submitted by the Implementing Agencies to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to Concessionaire) from time to time.

3.4.3 The Parties hereby jointly undertake to procure that the Independent Engineer, the Independent Expert and the Independent Auditor jointly issue the CP Completion Certificate within three (3) Days of the date on which the Independent Engineer, the Independent Expert and the Independent Auditor are satisfied that each of the:

(a) Concessionaire's Conditions Precedent stand satisfied (and/or waived or deferred by the Implementing Agencies in accordance with Clause 3.3.1(a));

(b) Concessionaire's Conditions Precedent are not objected to or deemed not to have been objected to by the Implementing Agencies in accordance with Clause 3.4.2(a) and if any Concessionaire's Condition Precedent is objected to by the Implementing Agencies in accordance with Clause 3.4.2(a), the Concessionaire has addressed such objections and re-submitted evidence of satisfaction of such Concessionaire's Condition Precedent to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Implementing Agencies) in accordance with Clause 3.4.2(a);

(c) Implementing Agencies' Conditions Precedent stand satisfied (and/or waived or deferred by the Concessionaire in accordance with Clause 3.3.1(b)); and

(d) Implementing Agencies' Conditions Precedent are not objected to or deemed to not have been objected to by the Concessionaire in accordance with Clause 3.4.2(b) and if any Implementing Agencies' Condition Precedent is objected to by the Concessionaire in accordance with Clause 3.4.2(b), the Implementing Agencies have addressed such objections and re-submitted evidence of satisfaction of such Implementing Agencies' Condition Precedent to the Independent Engineer, the Independent Expert and the Independent Auditor (with a copy to the Concessionaire) in accordance with Clause 3.4.2(b).

3.4.4 The Independent Engineer, the Independent Expert and the Independent Auditor, jointly, shall set out in the CP Completion Certificate the date on which the CP Completion Date is achieved.

3.5 CONSEQUENCES OF FAILURE TO FULFIL THE CONDITIONS PRECEDENT

3.5.1 In the event:

(a) the Conditions Precedent are not satisfied, waived and/or deferred within the CP Closing Period, (including the extended time, if any) due to reasons attributable to the Concessionaire and/or of occurrence of a Concessionaire's Event of Default prior to the CP Completion Date, then the Implementing Agencies shall have the right (to be exercised in their sole and absolute discretion) to terminate this Agreement by issuance of a written Termination Notice to the Concessionaire. In such case, the Implementing Agencies shall be entitled to encash the Bid Security or the Construction Performance Security (as the case may be) to its full value. Except for the encashment of the Construction Performance Security, in terms of this Clause 3.5.1, each Party hereto shall have no claims against the other for costs, damages, compensation or otherwise for such Termination of this Agreement;

(b) the Conditions Precedents are not satisfied, waived and/or deferred within the CP Closing Period, (including the extended time, if any) due to reasons attributable to the Implementing Agencies and/or of occurrence of an Implementing Agencies' Event of Default prior to the CP Completion Date, then the Concessionaire shall have the right (to be exercised in its sole discretion) to terminate this Agreement by issuance of a written Termination Notice to the Implementing Agencies. In such case, the Implementing Agencies shall, within [•] Days of its receipt of the Termination Notice, return the Construction Performance Security, if applicable, to the Concessionaire without any encashment, demands or claims. Each Party hereto shall have no claims against the other for costs, damages, compensation or otherwise for such Termination of this Agreement.

4. *GRANT OF CONCESSION, CONCESSION PERIOD & EXPANSION RELATED ACTIVITIES*

4.1 GRANT OF CONCESSION

4.1.1 In consideration of the Concessionaire's obligations contained in this Agreement and relying on the Concessionaire's representations, warranties, acknowledgments and undertakings contained herein, the Implementing Agencies, subject to the terms of this Agreement, hereby grant the Concessionaire and authorize it, for the duration of the Concession Period, to manage and implement the Project including the Club and to exercise and enjoy the rights, powers, benefits, privileges, authorizations and entitlements as set forth in this Agreement.

4.1.2 The Concessionaire agrees that the Implementing Agencies shall have the sole and exclusive right to require from the Concessionaire full availability of the Club upon completion of the Concession Period in accordance with the KPIs and the Good Industry Practice.

4.1.3 The Implementing Agencies shall license the Concessionaire with regards to the vacant possession of all the land and rights comprising the Club in accordance with this Agreement and all costs, fees, expenses, duties, charges and taxes relating to the same shall be borne by the Concessionaire for the Concession Period or any extension hereto.

4.2 CONCESSION PERIOD

4.2.1 The Concession Period for this Agreement shall commence on the issuance of the CP Completion Certificate;

4.2.2 The Concession Period is initially for a single term comprising of period of [•] ([•]) years extendable further up to [•] ([•]) years with mutual consent of the Parties. The extension shall be strictly based on satisfactory performance of the Concessionaire (the same being assessed by the Implementing Agencies with the assistance from the Independent Auditor and the Independent Expert) and that the same shall be subject to Clause 2.4.

4.3 RIGHT, TITLE AND INTEREST IN CLUB

4.3.1 The Parties acknowledge that full ownership, rights and title to the Club and all its assets shall be vested with the Secondary Implementing Agency throughout the Concession Period and the Concessionaire shall not create any encumbrance or other third-party rights over the Club or any part thereof or otherwise sub-let or part with the possession of the Club at any time during the Concession Period. Any activity, over and above the scope of this Agreement, which the Concessionaire tends to initiate and run during the Concession Period shall require approval of the Implementing Agencies.

4.3.2 The Parties agree that: (a) all the assets of the Club whether movable or immovable, fixed or current and including any additions, modifications or construction thereon carried out by the Concessionaire pursuant to this Agreement; (b) all equipment or other aids (whether originally provided by the Secondary Implementing Agency or purchased or replaced by the Concessionaire) of the Club, shall be the properties of the Secondary Implementing Agency and shall be handed over to the Secondary Implementing Agency, free from any encumbrances on the Trigger Date.

4.3.3 The Concessionaire undertakes that the Club shall not be used for any unauthorized commercial purposes other than any events specifically linked to the purposes for which this Agreement is granted to the Concessionaire. The Implementing Agencies hereby undertake that they shall not permit or request the

Concessionaire to facilitate any such events at the Club which are in contradiction to the purposes for which the Concession is granted to the Concessionaire.

4.3.4 This Agreement shall serve as the Licence, granting the Concessionaire the right to operate the Club, including the use of its land (only to the limit prescribed herein this Agreement) and any other rights necessary for such operation. Should any additional instruments be mandated by law or deemed necessary to facilitate the Concessionaire's activities, the Parties shall collaborate to execute the required instruments. The Concessionaire shall bear all costs, fees, expenses, duties, charges, and taxes associated with the registration of these instruments with the relevant Government Authority, if applicable.

4.3.5 For the avoidance of doubt, the Concessionaire accepts full responsibility for all matters set out in Clauses 4.3.1 to 4.3.4 and the Concessionaire shall:

(a) not be entitled to make any claim against the Implementing Agencies whether in contract, tort or otherwise on any ground relating to the matters in Clauses 4.3.1 to 4.3.4; and

(b) indemnify the Implementing Agencies against all direct or indirect losses sustained by the Implementing Agencies and/or any third party in consequence of cleaning-up and otherwise dealing with any potentially hazardous materials being any natural or artificial substance, whether in solid, gaseous or liquid form capable of causing harm to any human or any other living organism supported by the environment (including air, water, land, surface land and sub-surface land) or capable of damaging the environment or public health or posing a threat to public safety including any pollutants and any hazardous, toxic, radioactive, noxious, corrosive or dangerous substances and all substances for which in each case liability or responsibility is imposed under applicable environment laws at the Club upon grant of the Licence to the Concessionaire.

4.4 ASSISTANCE OF IMPLEMENTING AGENCIES

4.4.1 The Implementing Agencies shall provide and shall seek the co-operation of other relevant Government Authorities for providing such reasonable assistance as may be reasonably requested by the Concessionaire for obtaining the grant or renewal of the Applicable Permits (if any) required for the performance of the Concessionaire's obligations or the exercise of the Concessionaire's rights under this Agreement.

Provided that the Implementing Agencies shall provide such assistance as stated herein this Clause 4.4.1 on a best effort basis and the same shall not relieve the Concessionaire from its obligations under this Agreement.

4.5 GOOD FAITH AND FAIR DEALING

4.5.1 The Parties agree to act in good faith with respect to each other's rights under this Agreement and to adopt reasonable procedures to achieve the purposes of this Agreement. They shall cooperate with each other to the best of their abilities, communicate all relevant information as necessary for the proper execution of this Agreement, and make decisions promptly and in a manner consistent with the objectives of this Agreement.

4.6 CONCESSIONAIRE'S SCOPE OF WORK

4.6.1 The Concessionaire shall perform, undertake and achieve the KPIs as defined in this Agreement with best professional expertise, skills for the due performance of its obligations under this Agreement and for the smooth running of the Project. The Concessionaire shall ensure that all the Expansion Related Activities and the O&M Works (as provided therein **SCHEDULE B – CONCESSIONAIRE'S SCOPE OF WORK**) are conducted in a

professional manner so as to ensure adherence to the terms and conditions of this Agreement.

4.7 ESTIMATED EXPANSION COST

4.7.1 The Concessionaire shall be obligated to inject the Estimated Expansion Cost into the Project in accordance with the Detailed Renovation Plan to be prepared and approved as per Clause 4.8 (*Detailed Expansion Plan & Expansion Period*) of this Agreement. The Estimated Renovation Cost shall be injected during a period of [•] ([•]) from the [•] in accordance with the Detailed Renovation Plan, with each stage requiring the submission of a progress report detailing the use and allocation of funds to date.

4.7.2 All funds forming part of the Estimated Expansion Cost shall be made within the time period specified, failing which the Concessionaire shall be deemed in breach of this Agreement unless otherwise jointly approved in writing by the Independent Engineer, the Independent Auditor and the Project Steering Committee.

4.7.3 The Concessionaire shall ensure that all funds forming part of the Estimated Expansion Cost are utilized solely for the purposes set forth in this Agreement and any deviations must be jointly approved by the Independent Engineer, the Independent Auditor and the Project Steering Committee in writing.

4.7.4 The Implementing Agencies, the Independent Engineer, the Independent Auditor and/or the Project Steering Committee reserve the right to audit and review the utilization of the Estimated Expansion Cost any time, and the Concessionaire shall cooperate fully with any such audits or reviews, providing all necessary documentation to verify the appropriate use of funds.

4.7.5 Failure to inject the Estimated Expansion Cost in accordance with this Agreement and the Detailed Expansion Plan shall constitute a material breach of this Agreement and may result in the Implementing Agencies exercising its rights and remedies under this Agreement, including but not limited to Termination.

4.8 DETAILED EXPANSION PLAN & EXPANSION PERIOD

4.8.1 Within one hundred and twenty days (120) Days following the Effective Date, the Concessionaire shall submit to the Independent Engineer, the Independent Auditor, and the Project Steering Committee (with a copy to the Implementing Agencies) a proposed detailed plan for the Project pertaining to the expansion component prepared in compliance with this Agreement, the Estimated Expansion Cost, the Good Industry Practices and the Applicable Laws (the **"Proposed Expansion Plan"**).

4.8.2 Within Thirty (30) Days of receipt, the Independent Engineer, the Independent Auditor, and the Project Steering Committee shall either:

(i) approve the Proposed Expansion Plan (the **"Detailed Expansion Plan"**); or

(ii) reject the Proposed Expansion Plan and convey its comments/observations (if any) to the Concessionaire.

4.8.3 The Concessionaire shall (at its own cost and expense) re-submit the revised Proposed Expansion Plan no later than Thirty (30) Days from receipt of the rejection and/or comments/observations under Clause 4.8.2(ii), and the approval process under this Clause 4.8 (*Detailed Expansion Plan & Expansion Period*) shall be repeated.

4.8.4 The Detailed Expansion Plan shall be binding on the Concessionaire including for performance of the Expansion Related Activities.

4.8.5 The Detailed Expansion Plan may be amended from time to time through mutual agreement between the Parties, the Independent Engineer, the Independent Auditor and the Project Steering Committee.

4.8.6 Any errors, omissions, ambiguities, inconsistencies, inadequacies, defects or deficiencies in the Detailed Expansion Plan or arising therefrom, including those caused due to non-compliance with clause 4.8.1, shall be rectified by the Concessionaire at its sole cost and risk.

4.8.7 The Implementing Agencies (along with the Independent Engineer, the Independent Auditor and the Project Steering Committee) may use the Detailed Expansion Plan for such purposes it may require for the implementation of the Project.

4.8.8 The Concessionaire shall complete all the Expansion Related Activities in accordance with **SCHEDULE B – CONCESSIONAIRE'S SCOPE OF WORK** to the satisfaction of the Independent Engineer and the Implementing Agencies, and in any event, by the Scheduled Expansion Completion Date. However, the time period for completing the Expansion Related Activities may be for a period of twenty four (24) months with the consent of the Implementing Agencies.

4.8.9 The Independent Engineer shall, at the request of the Concessionaire, issue an Expansion Completion Certificate in the event the Expansion Related Activities have been successfully completed in accordance with this Agreement. The Independent Engineer shall set out the exact Expansion Completion Date in the Expansion Completion Certificate on which the Expansion Related Activities are successfully completed and Expansion Completion is achieved.

4.8.10 The Parties hereto expressly agree that the Expansion Completion Certificate under this Clause 4.8 (*Detailed Expansion Plan & Expansion Period)* shall, upon request of the Concessionaire to this effect, be issued by the Independent Engineer, once all the Expansion Related Activities have been completed (as certified by the Independent Engineer), and if the movement and safety of the users of the Club is not affected, as determined by the Independent Engineer (the **"Expansion Completion"**). Upon issuance of such Expansion Completion Certificate in terms of this Clause 4.8 (*Detailed Expansion Plan & Expansion Period)*, the Expansion Completion shall be achieved.

4A. ***PROJECT STEERING COMMITTEE***

4A.1. CONSTITUTION AND PURPOSE OF COMMITTEE

4A.1.1. The Project Steering Committee shall be constituted to provide with subsidised rates, overall policy support, supervisory oversight, conflict resolution, performance monitoring and strategic guidance for the Project under this Agreement.

4A.1.2. The Project Steering Committee shall also determine the subsidised rates of the accommodation in the Club, which shall be offered by the Concessionaire to officers, as notified by the Secondary Implementing Agency.

4A.2. COMPOSITION OF COMMITTEE

4A.2.1. The Project Steering Committee shall be comprised of:

(i) the Secretary of the Services & General Administration Department shall be the ex-officio chairman of the Project Steering Committee;

(ii) One (01) representative nominated from the Secondary Implementing Agency;

(iii) [•] ([•]) representative nominated from the Primary Implementing Agency;

(iv) [•] ([•]) senior representatives nominated by the Concessionaire; and

(v) the PSC may co-opt to include the Independent Expert. Such member will be non-voting member.

4A.3. RESPONSIBILITIES AND FUNCTIONS OF THE PROJECT STEERING COMMITTEE

4A.3.1. The Project Steering Committee shall meet on a regular basis, at least quarterly, and as needed to discuss the progress of the Project, resolve any outstanding issues and monitor performance against the KPIs.

4A.3.2. In the event of any conflict or disagreement between the Implementing Agencies and the Concessionaire that does not automatically fall under the purview of the Dispute Resolution Committee or the Arbitration as provided under this Agreement, the Project Steering Committee shall provide a platform for discussion and strive to resolve such conflicts in a fair and amicable manner.

4A.3.3. The Project Steering Committee shall also be responsible for the appointment of the Independent Auditor, the Independent Engineer, and the Independent Expert, ensuring that their appointments are conducted in a fair and transparent manner, in line with the procedures outlined in this Agreement.

4A.3.4. The Project Steering Committee may invite other external experts or stakeholders to attend its meetings as observers or to provide specific inputs, as deemed necessary for the strategic oversight of the Project.

4A.3.5. The day-to-day operational decision-making related to the running of the Club shall rest with the Concessionaire and shall not fall under the purview of the Project Steering Committee, except to the extent as specifically mentioned elsewhere in this Agreement.

5. *APPOINTMENT OF INDEPENDENT AUDITOR, INDEPENDENT ENGINEER AND INDEPENDENT EXPERT*

5.1 APPOINTMENT OF INDEPENDENT AUDITOR

5.1.1 As a Condition Precedent to the CP Completion Date, the Concessionaire shall, immediately after the Effective Date, propose a list of candidates for a third-party auditor to the Project Steering Committee. The final selection and appointment of the Independent Auditor, who will fulfil the duties and obligations pursuant to this Agreement and the Independent Auditor Contract, shall be made by the Project Steering Committee from the proposed list (the **"Independent Auditor"**).

5.1.2 The Independent Auditor shall carry out annual audit of the books of accounts of the Club and initial physical stock take of the inventory and equipment of the Club (as and when applicable).

5.1.3 The Independent Auditor shall be a reputable independent professional firm of the chartered accountants and shall not be considered employee, agent or representative of the Parties or any other stakeholder in the Project or any affiliate of any of them, for any purpose.

5.1.4 The appointment mechanism and indicative terms of reference of the Independent Auditor are set out at **SCHEDULE D – TERMS OF REFERENCES FOR INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT**.

5.1.5 The appointment of the Independent Auditor shall be for an initial term of [•] ([•]) years from the date of the effectiveness of the Independent Auditor Contract (the **"Independent Auditor Appointment Term"**), provided, however, that:

(a) the Independent Auditor Appointment Term shall be extended prior to expiry of the same with the mutual consent of the Parties so as to ensure that at all times during the Concession Period an Independent Auditor is retained/appointed for the purposes set out in this Agreement; or

(b) the Parties shall be entitled to appoint a new Independent Auditor prior to the expiry of the Independent Auditor Appointment Term (such appointment to be effective upon expiry of the Independent Auditor Appointment Term) so as to ensure that at all times during the Concession Period an Independent Auditor is retained/appointed for the purposes set out in this Agreement. In the event of the appointment of a new Independent Auditor upon expiry of the Independent Auditor Appointment Term, the provisions of Clause 5.1.7 shall apply.

5.1.6 The appointment of the Independent Auditor may be terminated:

(a) by either Party if the Independent Auditor is adjudged insolvent and/or bankrupt and/or winding up proceedings are filed against the Independent Auditor and/or the Independent Auditor files winding up proceedings in a court of law and/or any action for malpractice and/or misadministration is filed against the Independent Auditor in a court of law;

(b) by the Parties with the mutual consent of the Parties.

5.1.7 Upon the occurrence of any of the events listed in Clause 5.1.6, the Parties shall have the right to terminate the Independent Auditor Contract in accordance with the terms of the same and/or in the event of expiry of the Independent Auditor Appointment Term, the Parties shall appoint a new Independent Auditor in accordance with this Clause 5.1.7. In the afore-stated circumstances, the Parties shall replace the appointed Independent

Auditor with another firm of chartered accountants selected by the Project Steering Committee from the first list provided by the Concessionaire pursuant to Clause 5.1.1, provided, however, that the termination and/or replacement of the Independent Auditor shall not have effect till such time as the replacement Independent Auditor has been appointed. In the event the Implementing Agencies object to the appointment of any firm of chartered accountants named in the first list provided by the Concessionaire pursuant to Clause 5.1.1, then the Concessionaire shall provide the Project Steering Committee with a new list of three (3) reputable firms of chartered accountants for appointment of the replacement Independent Auditor. Within ten (10) Days of receipt by the Project Steering Committee of the same, the Project Steering Committee shall either:

(a) select a reputable firm of chartered accountants from the new list and shall cause the Concessionaire to appoint such firm as the Independent Auditor; or

(b) reject the appointment of any of the firms provided in the new list, in which case, the Parties shall appoint one of the Big Four Accounting Firms with mutual consent of the Parties as the new Independent Auditor.

5.1.8 The provisions of this Clause 5.1 shall apply to any new Independent Auditor (including appointment and replacement of the same) appointed in accordance with the terms herein.

5.1.9 The term of appointment of the replacement Independent Auditor shall be the unexpired period of the Independent Auditor Appointment Term or such other term as may be mutually agreed between the Parties.

5.1.10 The Concessionaire shall ensure that all provisions of this Agreement pertaining to the Independent Auditor and its responsibilities in respect of the matters set out herein are duly incorporated in the Independent Auditor Contract.

5.1.11 The Parties shall require the Independent Auditor to designate and notify to the Implementing Agencies and the Concessionaire of the authorized representatives of the Independent Auditor that shall be authorized by the Independent Auditor to sign for and on behalf of the Independent Auditor, and any communication or document required to be signed by the Independent Auditor shall be valid and effective only if signed by such authorized signatories on behalf of the Independent Auditor, provided, that the Independent Auditor may, by notice in writing to the Parties, substitute any of the authorized signatories.

5.1.12 Subject to Clause 5.1.13, any advice, instruction, decision, direction and/or award of the Independent Auditor shall be binding on the Parties unless mutually agreed otherwise by the Parties.

5.1.13 In the event any Dispute arises between the Implementing Agencies and the Concessionaire with regard to any advice, instruction, decision, direction and/or award of the Independent Auditor, then such Dispute shall be resolved in accordance with Clause 18.

5.2 APPOINTMENT OF INDEPENDENT ENGINEER

5.2.1 As a Condition Precedent to the CP Completion Date, the Concessionaire shall, immediately after the Effective Date, propose a list of candidates for a third-party engineering firm to the Project Steering Committee. The final selection and appointment of the Independent Engineer, who will fulfil the duties and obligations pursuant to this Agreement and the Independent Engineer Contract, shall be made by the Project Steering Committee from the proposed list (the **"Independent Engineer"**).

5.2.2 The Independent Engineer shall be a reputable independent professional engineering firm and shall not be considered employee, agent or representative of the Parties or any other stakeholder in the Project or any affiliate of any of them, for any purpose.

5.2.3 The appointment mechanism and indicative terms of reference of the Independent Engineer are set out at **SCHEDULE D – TERMS OF REFERENCES FOR INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT**.

5.2.4 The appointment of the Independent Engineer shall be for an initial term commencing from the date of the effectiveness of the Independent Engineer Contract and ending on the achievement of the Expansion Completion Date (the **"Independent Engineer Appointment Term"**), provided, however, that the Independent Engineer Appointment Term shall be extended prior to expiry of the same with the mutual consent of the Parties so as to ensure that at all times prior to the achievement of the Expansion Completion Date an Independent Engineer is retained/appointed for the purposes set out in this Agreement.

5.2.5 The appointment of the Independent Engineer may be terminated:

(a) by either Party if the Independent Engineer is adjudged insolvent and/or bankrupt and/or winding up proceedings are filed against the Independent Engineer and/or the Independent Engineer files winding up proceedings in a court of law and/or any action for malpractice and/or misadministration is filed against the Independent Engineer in a court of law; or

(b) by the Parties with the mutual consent of the Parties.

5.2.6 Upon the occurrence of any of the events listed in Clause 5.2.5, the Parties shall have the right to terminate the Independent Engineer Contract in accordance with the terms of the same and/or in the event of expiry of the Independent Engineer Appointment Term, the Parties shall appoint a new Independent Auditor in accordance with this Clause 5.2.6. In the afore-stated circumstances, the Parties shall replace the appointed Independent Engineer with another engineering firm selected by the Project Steering Committee from the first list provided by the Concessionaire pursuant to Clause 5.2.1 above, provided, however, that the termination and/or replacement of the Independent Engineer shall not have effect till such time as the replacement Independent Engineer has been appointed. In the event the Implementing Agencies object to the appointment of any engineering firm named in the first list provided by the Concessionaire pursuant to Clause 5.2.1, then the Concessionaire shall provide the Project Steering Committee with a new list of three (3) reputable engineering firm for appointment of the replacement Independent Engineer. Within ten (10) Days of receipt by the Project Steering Committee of the same, the Project Steering Committee shall either:

(a) select a reputable engineering firm from the new list and shall cause the Concessionaire to appoint such firm as the Independent Engineer; or

(b) reject the appointment of any of the firms provided in the new list, in which case, the Parties shall appoint such engineering firm with mutual consent of the Parties as the new Independent Auditor.

5.2.7 The provisions of this Clause 5.2 shall apply to any new Independent Engineer (including appointment and replacement of the same) appointed in accordance with the terms herein.

5.2.8 The term of appointment of the replacement Independent Engineer shall be the unexpired period of the Independent Engineer Appointment Term or such other term as may be mutually agreed between the Parties.

5.2.9 The Concessionaire shall ensure that all provisions of this Agreement pertaining to Independent Engineer and its responsibilities in respect of matters set out herein are duly incorporated in Independent Engineer.

5.2.10 The Parties shall require the Independent Engineer to designate and notify to the Implementing Agencies and the Concessionaire of the authorized representatives of the Independent Engineer that shall be authorized by

the Independent Engineer to sign for and on behalf of the Independent Engineer, and any communication or document required to be signed by the Independent Engineer shall be valid and effective only if signed by such authorized signatories on behalf of the Independent Engineer, provided, that the Independent Engineer may, by notice in writing to the Parties, substitute any of the authorized signatories.

5.2.11 Subject to Clause 5.2.12, any advice, instruction, decision, direction and/or award of the Independent Engineer shall be binding on the Parties unless mutually agreed otherwise by the Parties.

5.2.12 In the event any Dispute arises between the Implementing Agencies and the Concessionaire with regard to any advice, instruction, decision, direction and/or award of the Independent Engineer, then such Dispute shall be resolved in accordance with Clause 18.

5.3 APPOINTMENT OF INDEPENDENT EXPERT

5.3.1 As a Condition Precedent to the CP Completion Date, the Concessionaire shall, immediately after the Effective Date, propose a list of candidates for a third-party expert/firm of experts to the Project Steering Committee. The final selection and appointment of the Independent Expert, who will fulfil the duties and obligations pursuant to this Agreement and the Independent Expert Contract, shall be made by the Project Steering Committee from the proposed list (the **"Independent Expert"**).

5.3.2 The Independent Expert shall be a reputable independent professional expert/firm and shall not be considered employee, agent or representative of the Parties or any other stakeholder in the Project or any affiliate of any of them, for any purpose.

5.3.3 The indicative terms of reference of the Independent Expert are set out at **SCHEDULE D – TERMS OF REFERENCES FOR INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT**.

5.3.4 The appointment of the Independent Expert shall be for an initial term of [•] ([•]) years from the date of the effectiveness of the Independent Expert Contract (the **"Independent Expert Appointment Term"**), provided, however, that:

(a) the Independent Expert Appointment Term shall be extended prior to expiry of the same with the mutual consent of the Parties so as to ensure that at all times during the Concession Period an Independent Expert is retained/appointed for the purposes set out in this Agreement; or

(b) the Parties shall be entitled to appoint a new Independent Expert prior to the expiry of the Independent Expert Appointment Term (such appointment to be effective upon expiry of the Independent Expert Appointment Term) so as to ensure that at all times during the Concession Period an Independent Expert is retained/appointed for the purposes set out in this Agreement. In the event of the appointment of a new Independent Expert upon expiry of the Independent Expert Appointment Term, the provisions of Clause 5.3.6 shall apply.

5.3.5 The appointment of the Independent Expert may be terminated:

(a) by either Party if the Independent Expert is adjudged insolvent and/or bankrupt and/or winding up proceedings are filed against the Independent Expert and/or the Independent Expert files winding up proceedings in a court of law and/or any action for malpractice and/or misadministration is filed against the Independent Expert in a court of law; or

(b) by the Parties with the mutual consent of the Parties.

5.3.6 Upon the occurrence of any of the events listed in Clause 5.3.5, the Parties shall have the right to terminate the Independent Expert Contract in accordance with the terms of the same or and/or in the event of expiry of the Independent Expert Appointment Term, the Parties shall appoint a new Independent Expert in accordance with this Clause 5.3.6. In the afore-stated circumstances, the Parties shall replace the appointed Independent Expert with another expert/firm of experts selected by the Project Steering Committee from the first list provided by the Concessionaire pursuant to Clause 5.3.1 above, provided, however, that the termination and/or replacement of the Independent Expert shall not have effect till such time as the replacement Independent Expert has been appointed. In the event the Implementing Agencies object to the appointment of any expert/firm of experts named in the first list provided by the Concessionaire pursuant to Clause 5.3.1 above, then the Concessionaire shall provide the Project Steering Committee with a new list of three (3) reputable experts/firm of experts for appointment of the replacement Independent Expert. Within ten (10) Days of receipt by the Project Steering Committee of the same, the Project Steering Committee shall either:

(a) select a reputable expert/firm of experts from the new list and shall cause the Concessionaire to appoint such firm as the Independent Expert; or

(b) reject the appointment of any of the firms provided in the new list, in which case, the Parties shall appoint a new expert/firm of experts with mutual consent of the Parties as the new Independent Expert.

5.3.7 The provisions of this Clause 5.3 shall apply to any new Independent Expert (including appointment and replacement of the same) appointed in accordance with the terms herein.

5.3.8 The term of appointment of the replacement Independent Expert shall be the unexpired period of the Independent Expert Appointment Term or such other term as may be mutually agreed between the Parties.

5.3.9 The Concessionaire shall ensure that all provisions of this Agreement pertaining to the Independent Expert and its responsibilities in respect of the matters set out herein are duly incorporated in the Independent Expert Contract.

5.3.10 The Parties shall require the Independent Expert to designate and notify to the Implementing Agencies and the Concessionaire of the authorized representatives of the Independent Expert that shall be authorized by the Independent Expert to sign for and on behalf of the Independent Expert, and any communication or document required to be signed by the Independent Expert shall be valid and effective only if signed by such authorised signatories on behalf of the Independent Expert, provided, that the Independent Expert may, by notice in writing to the Parties, substitute any of the authorised signatories.

5.3.11 Subject to Clause 5.3.12, any advice, instruction, decision, direction and / or award of the Independent Expert shall be binding on the Parties unless mutually agreed otherwise by the Parties.

5.3.12 In the event any Dispute arises between the Implementing Agencies and the Concessionaire with regard to any advice, instruction, decision, direction and/or award of the Independent Expert, then such Dispute shall be resolved in accordance with Clause 18 (*Dispute Resolution*).

5.4 REMUNERATIONS OF INDEPENDENT AUDITOR, INDEPENDENT ENGINEER AND INDEPENDENT AUDITOR

5.4.1 All fees, costs, charges and expenses payable to the Independent Auditor, the Independent Expert and the Independent Engineer shall be solely borne by the Concessionaire at all times during the engagement of the

same. All such fees, costs, charges and expenses shall be paid by the Concessionaire directly to the Independent Auditor, the Independent Engineer and the Independent Expert and the Concessionaire shall be solely responsible for the payment of the fees and expenses payable to the Independent Auditor, the Independent Expert and the Independent Engineer pursuant to the terms of the relevant contract.

5.5 INDEPENDENCE OF INDEPENDENT AUDITOR, INDEPENDENT ENGINEER AND INDEPENDENT EXPERT

5.5.1 Notwithstanding that the fees, costs, charges and expenses payable to the Independent Auditor, the Independent Engineer and the Independent Expert:

(a) the Independent Auditor, the Independent Engineer and the Independent Expert shall act independently and in an unbiased manner and shall perform the assigned services for the benefit and in the best interests of the Project (strictly in accordance with the relevant contract entered into in accordance with this Agreement) and not that of any other Person or entity and shall not act on any instructions issued by any Party in respect of the Project unless the same are:

(i) contemplated by this Agreement to be issued by such party;

(ii) jointly issued by the Parties;

(iii) due to any reasons stipulated therein the Independent Engineer Contract, the Independent Auditor Contract and/or the Independent Expert Contract (as applicable).

(b) The Independent Auditor, the Independent Engineer and the Independent Expert shall be required to act reasonably, fairly, and expeditiously in fulfilling its duties and obligations under their relevant contracts and terms of reference as mentioned in **SCHEDULE D – TERMS OF REFERENCES FOR INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT**.

5.6 NOT USED

5.6.1 Not Used.

5.7 RIGHT OF ACCESS

5.7.1 With respect to the right to enter upon and access the Club:

(a) the Independent Auditor and/or the Independent Expert shall at all times, commencing from the effectiveness of the Independent Auditor Contract and/or the Independent Expert Contract, till the end of the Concession Period have the right to enter upon and access the Club;

(b) the Independent Engineer shall at all times, commencing from the effectiveness of the Independent Engineer Contract, till the achievement of the Expansion Completion Date have the right to enter upon and access the Club;

provided, the Concessionaire shall have the right to accompany the Independent Auditor, the Independent Engineer and/or the Independent Expert during its attendance at the Club.

5.7.2 The Independent Auditor and/or the Independent Expert shall have no authority to delay or hinder the performance of the O&M Works, except as expressly specified in this Agreement or therein the Independent Auditor Contract and/or the Independent Engineer Contract (as applicable);

provided, in respect of the Expansion Related Activities, the Independent Auditor, the Independent Engineer and/or the Independent Expert shall have no authority to delay or hinder the performance of the Expansion Related Activities, except as expressly specified in this Agreement or therein the Independent Engineer Contract, the Independent Auditor Contract and/or the Independent Expert Contract (as applicable).

5.8 LIABILITY OF CONCESSIONAIRE

5.8.1 The Concessionaire acknowledges and agrees that the Independent Auditor's approval or review of the O&M Works, or the Concessionaire's compliance with the Independent Auditor's instructions, shall not relieve the Concessionaire of its sole responsibility for the O&M Works, and the Concessionaire shall bear all risk and liability associated therewith.

5.8.2 The Concessionaire acknowledges and agrees that the Independent Auditor's, the Independent Engineer's and/or the Independent Expert's approval (as applicable) or review of the Expansion Related Activities and/or the O&M Works, or their compliance with any instructions provided by the Concessionaire or the Implementing Agencies, shall not relieve the Concessionaire of its sole responsibility for the of the Expansion Related Activities and/or the O&M Works. The Independent Auditor, the Independent Engineer or the Independent Expert (as applicable), however, shall bear responsibility for the accuracy and appropriateness of their professional advice and assessments within the scope of their engagement, in accordance with applicable standards of professional care and diligence.

5.8.3 The Concessionaire undertakes to indemnify, defend and hold the Implementing Agencies harmless from any and all liabilities, claims, damages, costs, penalties, fines, expenses, fees (including reasonable attorney's fees) and charges of any nature associated with any non- compliance by the Concessionaire of its obligations contained in this Agreement.

5.9 THIRD PARTY MONITOR PAYMENT ACCOUNT

5.9.1 The Concessionaire shall establish and maintain a:

(a) independent auditor payment account;

(b) independent expert payment account; and

(c) independent engineer payment account;

from the effectiveness of the Independent Auditor Contract, the Independent Engineer Contract, and the independent Expert Contract (as applicable) and until the Trigger Date (or such other date as is mutually agreed between the Parties). The Implementing Agencies may create a lien over the funds standing to the credit of the independent auditor payment account, the independent expert payment account and the independent engineer payment account (as mutually agreed between the Parties).

5.9.2 The Concessionaire shall issue irrevocable standing instructions to the relevant account bank (in form and substance agreed between the Parties) in accordance with the Independent Auditor Contract, the Independent

Engineer Contract and/or the Independent Expert Contract (as applicable).

5.9.3 The relevant standing instructions issued (as per Clause 5.9.2) by the Concessionaire shall not be unilaterally suspended, amended and/or revoked by either Party and shall remain effective, in each case, until the Trigger Date (or such other date as is mutually agreed between the Parties), and no withdrawal from the relevant account (as established in accordance with Clause 5.9) may be made by the Concessionaire, except as provided in this Agreement and the relevant standing instructions issued (as per Clause 5.9.2). The relevant standing instructions issued (as per Clause 5.9.2) may be suspended, amended and/or revoked with the mutual consent of the Parties.

6. *COMMENCEMENT OF EXPANSION RELATED ACTIVITIES & O&M WORKS*

6.1 PERFORMANCE OF EXPANSION RELATED ACTIVITIES & O&M WORKS

6.1.1 The Concessionaire shall commence and perform the Expansion Related Activities, the O&M Works, and its obligations under this Agreement with respect to the Project and the Club in accordance with this Agreement.

6.1.2 The Concessionaire shall ensure full compliance with all terms and conditions of this Agreement, in order to achieve the KPIs at all times.

6.2 GENERAL REQUIREMENTS

6.2.1 The Concessionaire shall undertake and be responsible for and shall perform the Expansion Related Activities and the O&M Works in a manner that is in compliance with the terms and conditions of this Agreement, the Applicable Laws, the Applicable Permits and the Good Industry Practice.

6.2.2 Subject to Clause 6.2.1 above, the Concessionaire shall be solely responsible to undertake and perform its relevant obligations and to comply with the terms and conditions provided herein this Agreement. Notwithstanding the foregoing, the Concessionaire shall be permitted to undertake and perform the Expansion Related Activities and/or the O&M Works through sub-contractors and/or agents possessing the requisite technical, financial, operational and hospitality expertise and capability (the "**Project Contract Party**").

Provided that, where the Concessionaire is desirous of hiring a Project Contract Party, it shall notify the Independent Auditor, the Independent Engineer/Independent Expert (as the case may be), and the Implementing Agencies of any such hiring within [•] ([•]) days thereof.

Provided further that, where any appointment is made for the design of the Club, such appointment shall be subject to the prior written approval of the Independent Engineer and the Implementing Agencies, who shall, within thirty (30) days of receipt of the request of the proposed appointment, issue their decision in writing. In the event that no response is provided within such period, the proposed appointment shall be deemed approved.

6.2.3 The Concessionaire shall at all times during the Concession Period, provide the Implementing Agencies, the Independent Engineer, the Independent Auditor, the Independent Expert and their representatives with reasonable access to the Club for monitoring of the Expansion Related Activities and the O&M Works and for conducting inspections and audits in accordance with this Agreement.

6.2.4 During the Concession Period, the Concessionaire shall develop and implement a safety and surveillance program for the Club, comply with the safety regulations, such as cleanliness of the Club, disposal of wastes and effluents, ventilation and temperature, dust and fume, lightning, drinking water, precaution in case of fire etc. and adopt appropriate safeguards and measures for security of environment, human life and property at the Club in accordance with the Applicable Laws and the Good Industry Practice.

6.2.5 The Concessionaire shall develop and maintain appropriate measures of security of environment, human life, property at the Club at all times during the Concession Period.

6.3 REPAIR AND MAINTENANCE OF CLUB

6.3.1 The Concessionaire shall maintain the Club in accordance with the Good Industry Practice throughout the Concession Period to meet the KPIs. The Concessionaire shall ensure that the Club remains fully operational

and shall promptly address any deficiencies or issues that may arise. As of the Effective Date, the Concessionaire understands that there is no pending construction or operational obligation on part of the Implementing Agencies, and in the event the Concessionaire fails to maintain the Club in accordance with this Clause 6.3.1, any and all remaining defect liability shall be on the part of the Concessionaire.

6.3.2 The Concessionaire shall not schedule any major repair or maintenance work in respect of the Club at any time during the Concession Period without the prior written consent of the Implementing Agencies.

6.3.3 The Concessionaire shall schedule all major repair and maintenance work for the Club at times when the Club is not in use or when the impact on the Club's operations is minimal and shall seek the prior written consent of the Implementing Agencies before undertaking such work.

6.3.4 The Concessionaire shall provide the Implementing Agencies with a schedule of the proposed work and the expected time required to complete it.

6.3.5 The Concessionaire shall submit in writing to the Implementing Agencies the details and costs of all major maintenance and repair works proposed to be undertaken by the Concessionaire in respect of the Club at least thirty (30) Days prior to such repair and maintenance work planned to be undertaken. All major repair and maintenance work and the costs thereof shall be borne by the Concessionaire. The Implementing Agencies shall certify, amend and/or approve (as applicable) the request of the Concessionaire within a period of thirty (30) Days of receiving the Concessionaire's request.

6.3.6 When the need arises for an unscheduled closure in order to undertake emergency maintenance (the **"Unscheduled Closure"**), the Concessionaire shall advise the Implementing Agencies of such need and the commencement and estimated duration of such work. The Implementing Agencies shall allow the Concessionaire to schedule such outage with in a period of time that is reasonable under the circumstances and not exceeding the time required by the Good Industry Practice. The Concessionaire shall advise the Implementing Agencies of the above matters by a notice in writing, and the Implementing Agencies shall respond within three (3) Days from receiving such notice.

6.3.7 In case an extension is required in the Unscheduled Closure period, such extension shall be subject to the prior written approval of the Implementing Agencies.

6.3.8 In the event that the Concessionaire ceases to operate the Club continuously for a period of thirty (30) Days, excluding any period of cessation due to a Force Majeure Event or an Unscheduled Closure, or with the prior written consent of the Implementing Agencies for justifiable reasons, the Implementing Agencies shall have the right to step in and undertake the O&M Works at the Club. The Concessionaire shall be responsible for all costs and expenses incurred by the Implementing Agencies in connection with such step-in. The Concessionaire shall be entitled to resume the normal operation of the Club only after demonstrating to the satisfaction of the Implementing Agencies that it has the capacity to resume the O&M Works.

6.3.9 In the event that the Implementing Agencies exercise their step-in rights pursuant to Clause 6.3.8 and the Concessionaire fails to resume the normal operations of the Club within [●] ([●]) days following the receipt of instructions from the Implementing Agencies to resume the O&M Works, the Implementing Agencies shall be entitled to terminate this Agreement by issuing a written termination notice to the Concessionaire, and such termination shall be effective on an immediate basis.

6.3.10 The Concessionaire shall bear all costs, risks and expenses incurred by the Implementing Agencies during the period of step-in. The Implementing Agencies shall not be required to make any payments to the Concessionaire during the period of step-in.

6.4 APPLICABLE PERMITS AND APPLICABLE LAWS

6.4.1 The Concessionaire shall be responsible for obtaining all necessary permits, licences, and approvals required for the performance of the Expansion Related Activities and the O&M Works in accordance with the Applicable Laws. The Concessionaire shall bear all costs and expenses associated with obtaining and maintaining such permits, licences, and approvals, including all fees, charges, and expenses payable to any regulatory authority or government agency. The Concessionaire shall ensure that all permits, licences, and approvals remain valid and in full force and effect throughout the Concession Period.

6.4.2 The Implementing Agencies shall use reasonable endeavours to assist the Concessionaire in obtaining the Applicable Permits from the relevant Government Authorities, provided that the Concessionaire has complied with all the requirements contained in the Applicable Laws for applying for such Applicable Permits.

Provided that the Implementing Agencies shall provide such assistance as stated herein this Clause 6.4.2 on a best effort basis and the same shall not relieve the Concessionaire from its obligations under this Agreement.

6.4.3 The Concessionaire shall comply with the conditions of all the Applicable Permits, the provisions of all the Applicable Laws and with the Good Industry Practice in carrying out the Expansion Related Activities and the O&M Works at the Club at all times during the Concession Period.

6.5 RECORDS, REPORTING, ACCOUNTS AND AUDITS

6.5.1 The Concessionaire shall maintain records (in soft format and hard format may be provided if demanded by the Implementing Agencies or the Independent Auditor) of all employees, resources, equipment and compliance with the KPIs during the Concession Period.

6.5.2 The Concessionaire shall maintain books of accounts, recording all expenditures incurred during the Concession Period and payments received by the Concessionaire and/or the Implementing Agencies (as the case may be) and the Revenues and other revenues derived/collected (if any, with the prior written permission of the Implementing Agencies) by it from or on account of the Expansion Related Activities and/or the O&M Works.

6.5.3 The Concessionaire shall deliver to the Implementing Agencies, the following reports within the time specified below:

(a) semi-annual reports in the form and manner mutually agreed between the Parties that shall include, but not be limited to the performance of the O&M Works at the Club, meeting/non-meeting of KPIs and a summary of the income received and expenditure incurred during such six (6) months prepared substantially in the form set out in **SCHEDULE F – REPORTING FORMS**, and delivered to the Implementing Agencies in writing (by email or facsimile) within thirty (30) Days after the end of each six (6) month period;

(b) reports on any critical damage or security lapse at the Club leading to any interruptions or outages of the Club within seven (7) Days of each such occurrence;

(c) the Concessionaire shall promptly notify the Implementing Agencies of any material litigation, proceedings, or disputes that may affect the management of this Agreement or the appointment of a receiver or administrator in relation to the business or assets of the Concessionaire. The Concessionaire shall also notify the Implementing Agencies of any adverse orders or judgments passed by any Government Authorities that may affect or are likely to affect the performance of the

O&M Works, as soon as reasonably possible after the occurrence of such events;

(d) annual audit report within a period of thirty (30) Days from the issuance date of the audit report by the auditors.

6.5.4 Without limiting the Concessionaire's obligations under the Applicable Laws, during the Concession Period and for a period of one (1) year thereafter, the Concessionaire shall on demand produce to the Implementing Agencies all such evidence as may be reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to any of the provisions of this Agreement.

6.5.5 The Concessionaire shall:

(a) make available to the Implementing Agencies all books and records maintained by the Concessionaire that are concerned with the operation and management of the Club, upon a request being made by the Implementing Agencies;

(b) make available to the Independent Auditor, the Independent Engineer, and the Independent Expert, all books and records maintained by the Concessionaire that are relevant to their respective scopes of work, upon a request being made by any of them during their term of appointment; and

(c) cause its employees to fully cooperate and provide all necessary assistance to the Implementing Agencies, the Independent Auditor, the Independent Engineer, and the Independent Expert in the conduct of their respective duties.

6.5.6 The Implementing Agencies, the Independent Auditor, the Independent Engineer, and/or the Independent Expert (as applicable to their scope of work) will have the right to access, and make copies of, all such books, records, accounts, financial statements, reports, evaluations, and any other information relating to the performance of the Expansion Related Activities and/or the O&M Works (as applicable), given reasonable advance notice and during normal business hours, or as otherwise agreed upon by both parties.

6.5.7 The Concessionaire shall provide the Implementing Agencies with two (2) copies of its audited financial statements, by the Independent Auditor, within one hundred twenty (120) Days of the close of each Financial Year.

6.5.8 The Concessionaire shall provide the Implementing Agencies with two (2) copies of the semi-annual KPI's report, duly reviewed by the Project Steering Committee, within sixty (60) Days of the end of each six (6) month period to which they pertain. In the event of any justifiable reason(s) that may delay the submission of the report, the Concessionaire may request for an extension of thirty (30) Days from the Implementing Agencies. The Implementing Agencies shall have the discretion to grant or deny such request for extension.

6.5.9 If the Independent Auditor reports an inaccuracy in any statement or computation that has resulted in an over-payment or an under-payment of an amount by any Party (the **"Payment Error"**), the amount of such Payment Error shall be adjusted in the next payment due immediately after receipt of notification from the Independent Auditor of such Payment Error.

Provided that, in the event that there is no payment due immediately following receipt of the said notice, such payment error shall be rectified by way of direct payments (in a manner as mutually agreed between the Parties and endorsed by the Independent Auditor) to the aggrieved Party.

6.5.10 The Parties agree that the Independent Auditor shall conduct the financial audits in accordance with the Applicable Laws at the end of each Financial Year and provide the audited financial statements in accordance with this Agreement.

6.5.11 Notwithstanding the above-mentioned, the Concessionaire may provide the KPIs report for the first six (06) months period. Concessionaire is however strictly required to adhere with the requirements as mentioned in the KPIs in respect of, *inter alia*, all necessary documentation as mentioned in the KPIs.

6.5.12 The Concessionaire shall generate detailed invoices in terms of this Agreement to the Independent Auditor claiming the expenditure incurred (along with the bills/invoices for the amount spent) for the particular quarter.

6.6 PROVISION OF UTILITIES

6.6.1 Prior to the start of the O&M Work, the Secondary Implementing Agency shall pay all utility bills that are due up to the date of hand-over of the Club to the Concessionaire and provide evidence of the same to the Concessionaire and the Independent Auditor. From the commencement of the O&M Work, the Concessionaire shall be solely responsible for arranging for all utilities for the operation and maintenance of the Club.

6.6.2 Where the Concessionaire seeks to procure any utilities from the Government Authorities, the Implementing Agencies shall use reasonable endeavours to assist the Concessionaire in obtaining rates from such Government Authorities that are no higher than the rates offered to public sector users of such utilities.

Provided that the Implementing Agencies shall provide such assistance as stated herein this Clause 6.6.2 on a best effort basis and the same shall not relieve the Concessionaire from its obligations under this Agreement.

6.7 INCOME TAX REQUIREMENTS

6.7.1 The Concessionaire represents and warrants that, as of the Effective Date, it has duly filed all required income tax returns and has paid all income tax liabilities due and payable in accordance with the Applicable Laws and regulations. Furthermore, the Parties agree that the Concessionaire shall be obligated to duly file the required income tax returns and pay all income tax liabilities payable in accordance with the Applicable Laws and regulations during the Concession Period.

6.7.2 The Concessionaire agrees to indemnify and hold harmless the Implementing Agencies, its officers, directors, employees, and agents from any claims, losses, damages, liabilities, or expenses arising out of or related to the Concessionaire's failure to comply with their income tax obligations as per this Clause 6.7.

6.7.3 In case of any tax-related inquiries or audits by the relevant tax authorities, the Concessionaire agrees to cooperate fully with the Implementing Agencies and provide all necessary documentation and information as reasonably requested to address such inquiries or audits.

7. *REVENUE & DISTRIBUTION*

7.1 NOT USED

7.2 COLLECTION OF REVENUE

7.2.1 During the period commencing from the issuance of the Expansion Completion Certificate and continuing throughout the Concession Period till the Trigger Date, the Concessionaire shall be authorized to collect, demand, and receive all the Revenues, on a monthly basis, generated from the operations and maintenance of the Club. All such Revenues shall be immediately deposited in the designated account of the Concessionaire (the **"Revenues Account"**), details of which shall be provided to the Implementing Agencies.

7.2.2 In the event the Concessionaire fails to deposit the Revenues into the Revenues Account as required, the Implementing Agencies shall have the right to impose penalties, including but not limited to withholding further distribution of the Revenues or initiating legal action, as outlined in the Agreement.

7.2.3 From the issuance of the Expansion Completion Certificate and continuing through the entire Concession Period until the Trigger Date, the Concessionaire shall be granted the exclusive right to collect, demand, and receive all the Revenues generated monthly from the O&M Works.

7.2.4 The Concessionaire hereby undertakes that all the Revenues collected by the Concessionaire shall be deposited immediately in the Revenues Account established and maintained in accordance with this Agreement. The allocation and distribution of such Revenues shall be strictly in compliance with the procedures stipulated in this Agreement, ensuring full transparency and compliance with the financial obligations set forth here.

7.3 REVENUES DISTRIBUTION

7.3.1 The Sponsor and the Secondary Implementing Agency shall share profits from the Revenues generated by the operation of the Club according to this Agreement. The Secondary Implementing Agency shall be entitled to receive [•] percent ([•]%) of all actual declared profits (the **"SIA Actual Profit"**), while the Sponsor shall receive [•] percent ([•]%) of the actual declared profits (the **"Sponsor Actual Profit"**).

7.3.2 The Concessionaire shall calculate the profit distribution after deducting all approved operating expenses and taxes at the end of each quarter of an Operational Year. The Concessionaire shall prepare a detailed profit calculation report (the **"Quarterly Profit Calculation Report"**) outlining these costs and submit it to the Independent Auditor for review within [•] ([•]) Days of the close of each quarter of an Operational Year. A copy shall be submitted to the Implementing Agencies as well.

7.3.3 The Independent Auditor shall, within [•] ([•]) Days of receiving the Quarterly Profit Calculation Report, review and approve the report prior to any dividend distribution. In the event the Independent Auditor identifies discrepancies or raises objections, the Concessionaire shall address these issues and resubmit a revised Quarterly Profit Calculation Report.

7.3.4 Following approval of by the Independent Auditor of the Quarterly Profit Calculation Report, the Independent Auditor shall issue a certificate (the **"Quarterly Profit Calculation Certificate"**) to the Concessionaire within **[•]** (**[•]**) Days, stipulating the following:

(a) operating expenses incurred by the Concessionaire during the relevant quarter;

(b) taxes paid by the Concessionaire during the relevant quarter.

(c) not used;

(d) the amount corresponding to the Sponsor Actual Profit;

(e) the amount corresponding to the SIA Actual Profit.

7.3.5 Upon receiving the Quarterly Profit Calculation Certificate, the Concessionaire shall:

(a) debit the Revenues Account for an amount equal to the SIA Actual Profit and credit this amount to the SIA Designated Account; and

(b) debit the Revenues Account for an amount equal to the Sponsor Actual Dividend and credit this amount to the Sponsor Designated Account.

7.4 RESTRICTIONS ON TRANSFER OF SHARES

7.4.1 The Sponsor shall not transfer any of its shares in the Concessionaire, whether held directly or beneficially, at any time prior to the occurrence of the Expansion Completion Date (the **"Share Trigger Date"**).

7.4.2 After the Share Trigger Date, and in accordance with the provisions of this Agreement, the Sponsor shall be entitled to transfer its shares in the Concessionaire with the prior written consent of the Implementing Agencies, provided, however, that the Sponsor's shareholding in the Concessionaire shall not fall below seventy-five percent (75%). The Sponsor shall retain at least seventy-five percent (75%) shareholding in the Concessionaire throughout the Concession Period.

7.5 BOARD OF DIRECTORS OF CONCESSIONAIRE

7.5.1 The Implementing Agencies may appoint or nominate one (01) board observer to the board of directors of the Concessionaire. The appointed/nominated director shall not have any voting rights in respect of the business of the Board of Directors and shall not be counted for the purposes of quorum.

For the avoidance of doubt, the role of the such board observer shall be limited to monitoring and overseeing the operations and affairs of the Concessionaire and the decisions of its board of directors.

7.6 CONCESSIONAIRE LIQUIDATED DAMAGES FOR DELAY

7.6.1 The Concessionaire acknowledges that the Implementing Agencies will suffer actual damages if, for any reason not otherwise excused under this Agreement, the Concessionaire fails to achieve Expansion Completion by the Scheduled Expansion Completion Date.

7.6.2 In the event the Concessionaire fails to Expansion Completion by the Scheduled Expansion Completion Date, the Concessionaire shall be entitled to a cure period of six (06) months to achieve Expansion Completion (the "**Expansion Completion Cure Period**"). However, in the upon expiry of the event Expansion Completion Cure Period, the Concessionaire shall pay to the Implementing Agencies damages amounting to PKR 50,000/- (Pak Rupees Fifty Thousand Only) per day of delay in achievement of Expansion Completion; as determined by the Independent Engineer and Independent Auditor (the "**Expansion Completion Period Damages**");

Provided that such Expansion Completion Period Damages shall not exceed, in aggregate, the value of the Construction Performance Security.

7.6.3 Any payable Expansion Period Damages shall be paid by the Concessionaire within thirty (30) Days of the date of the Concessionaire's receipt of an invoice from the Implementing Agencies setting out the amount of liquidated damages which are then due and payable by the Concessionaire.

7.6.4 In the event that the Concessionaire fails to pay such Expansion Period Damages when due, the Implementing Agencies shall be entitled to claim such amounts under the Construction Performance Security, accruing from the due date of such payment until the Implementing Agencies are actually paid such amounts, and the same shall be computed for the actual number of Days on the basis of a three hundred and sixty-five (365) Day year.

7.6.5 To the extent that the Concessionaire's liability for the Expansion Completion Period Damages exceeds the then current balance of the Construction Performance Security, the Implementing Agencies shall be entitled to take steps to recover such amounts (plus any applicable charge) as a debt due from the Concessionaire to the Implementing Agencies.

8. *GENERAL COVENANTS*

8.1 COVENANTS DURING CONCESSION PERIOD

8.1.1 The Concessionaire agrees and undertakes that, throughout the term of this Agreement, it shall:

(a) comply with and perform all duties, obligations, acts, deeds and obligations set out in, in each case, the applicable standards of professional care and diligence;

(b) retain and maintain the Club in the peaceful possession, in accordance with the Good Industry Practices, and enjoy the benefits of the Club in accordance with this Agreement;

(c) perform all its obligations under this Agreement and ensure that it satisfies the KPIs;

(d) except as specifically permitted under this Agreement, not vacate or part with the possession of the Club;

(e) satisfy, unless deferred or waived in accordance with Clause 3.3 of this Agreement, the Conditions Precedent relevant to it, within the CP Closing Period;

(f) ensure expenditure and costs associated with the performance of the obligations as contemplated under this Agreement in pursuance of the Financial Bid;

(g) during the entire Concession Period, obtain all Applicable Permits that are required for all activities contemplated under this Agreement including the operation of the Club unconditionally, or if such Applicable Permits are subject to conditions, then complying with all such conditions to ensure that the Applicable Permits are and shall be kept in full force and effect for the entire Concession Period;

(h) ensure compliance with all the Applicable Laws;

(i) undertake the provision of security of the Club;

(j) not undertake any structural changes without any prior written consent/approval of the Implementing Agencies;

(k) procure and maintain in full force and effect, as necessary, appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;

(l) not engage in any business or activity other than the business or related to, and conducted for, the purpose of the Project and/or other than as provided in this Agreement;

(m) ensure that no damage is caused to any property belonging to Implementing Agencies and/or other third parties in the execution of the Expansion Related Activities and the O&M Works;

(n) provide to the Implementing Agencies, the Independent Auditor, the Independent Expert and/or the Independent Engineer all such information relating to the Expansion Related Activities and/or the O&M Works (as applicable) and the execution and completion of the same as is reasonably requested by the Implementing Agencies, the Independent Auditor, the Independent Expert and/or the Independent Engineer from time to time;

(o) notify the Implementing Agencies, the Independent Engineer, the Independent Expert and/or the Independent Auditor (as applicable) without undue delay upon becoming aware of any changes in the information provided and/or to be provided to the same by the Concessionaire pursuant to the applicable standards of professional care and diligence; and

(p) undertake, do and perform from time to time, all such acts, deeds and things as may be necessary or required before commencement of the Expansion Related Activities and the O&M Works (or any part thereof) for the performance of the Expansion Related Activities and the O&M Works under and in accordance with the applicable standards of professional care and diligence.

8.1.2 At all times before, during or after the Concession Period, the Concessionaire shall hold harmless and indemnify all the staff of the Implementing Agencies from and against all loss, liability, damage, cost, expense, interest, fines, penalties, claims and amounts paid in settlement, suffered, incurred, paid or payable by the Implementing Agencies in relation to or arising from the Concessionaire's use of the Club or any part thereof. Notwithstanding anything to the contrary, all risks (including any claims and liabilities) relating to the right, title and interests of the Secondary Implementing Agency in the Club or any part thereof shall, during or after the Concession Period, vest with the Secondary Implementing Agency.

8.1.3 Notwithstanding anything to the contrary contained in Clause 8.1.1, the Concessionaire agrees that the Government Authorities shall have the right to enter upon and access the Club in accordance with the Applicable Laws. Provided that such access shall not interfere with or hinder the Concessionaire's operations unless it's necessary for safety, legal, or regulatory reasons. The Implementing Agencies shall provide the Concessionaire with a minimum notice of forty-eight (48) hours prior to any planned access, except in cases of emergencies where such notice might not be possible or practical.

8.1.4 The Concessionaire shall not engage in (and shall not authorise or permit any affiliate or any other Person acting on its behalf to engage in), with respect to the Project or any transaction contemplated by this Agreement, any Sanction-able Practices.

9. *PERFORMANCE SECURITIES*

9.1 SUBMISSION OF THE CONSTRUCTION PERFORMANCE SECURITY

9.1.1 *Prior to the Effective Date, the Concessionaire shall provide to the Primary Implementing Agency an unconditional, irrevocable and on-demand bank guarantee, in form and substance satisfactory to the Implementing Agencies, as performance security for the performance of Expansion Related Activities (the "Construction Performance Security").*

9.1.2 *The Construction Performance Security shall secure the due and punctual performance of all obligations, liabilities, payments, liquidated damages, indemnities, representations, guarantees, warranties and responsibilities of the Concessionaire under this Agreement and the Other Agreements, in each case to the extent relating to the Expansion Related Activities, including timely completion of the Expansion Related Activities in accordance with this Agreement, the Detailed Expansion Plan and as per Good Industry Practices.*

9.1.3 *The Construction Performance Security shall remain valid and enforceable until [•]([•]) days following the Expansion Completion Date (the "Construction Performance Security Expiry Date"), provided that the Concessionaire has, on or prior to such date, delivered to the Implementing Agencies a valid and effective O&M Performance Security in accordance with Clause 9.2A (Submission of the O&M Performance Security).*

9.1.4 *Failure of the Concessionaire to comply with Clause 9.1.3 shall entitle the Implementing Agencies to encash the full amount of the Construction Performance Security and any such encashment shall not relieve the Concessionaire from its obligation to provide and maintain a valid and effective Construction Performance Security in terms of this Agreement.*

9.1.5 *Upon delivery to the Implementing Agencies of a valid and effective O&M Performance Security in accordance with Clause 9.2A (Submission of the O&M Performance Security), the Construction Performance Security shall be released and returned to the Concessionaire within ten (10) Business Days of receipt of the same, and shall thereupon become null and void.*

9.2A SUBMISSION OF THE O&M PERFORMANCE SECURITY

9.2A.1 Within [●] ([●]) Days prior to the Scheduled Expansion Completion Date, the Concessionaire shall provide to the Implementing Agencies the O&M Performance Security, which shall be renewed on an annual basis, no later than fifteen (15) Days prior to the commencement of each subsequent Operational Year, so as to remain valid and enforceable until the O&M Performance Security Expiry Date.

9.2A.2 Failure of the Concessionaire to comply with Clause 9.2A.1 shall entitle the Implementing Agencies to encash the full amount of the O&M Performance Security and any such encashment shall not relieve the Concessionaire from its obligation to provide and maintain a valid and effective O&M Performance Security in terms of this Agreement.

9.2A.3 The O&M Performance Security shall remain valid and enforceable until the later of:

(a) *in the event of Termination, a period of one (1) year following the Termination Notice; and*

(b) *in the event of expiry of this Agreement, a period of one (1) year following the Expiry Date.*

9.1.2 *(the "O&M Performance Security Expiry Date").*

9.2A.4 The O&M Performance Security shall secure the due and punctual performance of all obligations, liabilities, payments, liquidated damages, indemnities, representations, guarantees, warranties and responsibilities of the Concessionaire under this Agreement and the Other Agreements, in each case to the extent relating to the O&M Works, including timely completion of the O&M Works in accordance with this Agreement and as per Good Industry Practices.

9.2A.5 Upon issuance by the Independent Auditor of a certificate evidencing the occurrence of an O&M Performance Security Expiry Date, the O&M Performance Security relating to the preceding Operational Year shall be released and returned to the Concessionaire within ten (10) Days of receipt by the Implementing Agencies of such certificate, and shall thereupon be null and void.

9.2 ISSUANCE

9.2.1 The Construction Performance Security and O&M Performance Security shall be issued in favour of the Primary Implementing Agency.

9.2.2 The Construction Performance Security and O&M Performance Security shall be issued by a reputable and well-established bank, acceptable to the Primary Implementing Agency in accordance with the terms and conditions of this Agreement.

9.3 LIMITATION OF LIABILITY

9.3.1 The total liability of the Concessionaire in respect of the Construction Performance Security and O&M Performance Security shall be limited to the amount of the Construction Performance Security and O&M Performance Security respectively.

9.3.2 Nothing in this Clause 9.3 shall limit or exclude any other rights or remedies available to the Primary

Implementing Agency under this Agreement or at law.

9.4 PRIMARY IMPLEMENTING AGENCY RIGHT TO DRAW ON PERFORMANCE SECURITY

9.4.1 The Implementing Agencies shall promptly notify the Concessionaire of any substantial failure to meet its obligations of the Concessionaire under this Agreement. In the event of such a failure, the Primary Implementing Agency may encash the bank guarantee provided by the Concessionaire. However, before encashing the Construction Performance Security or the O&M Performance Security (as the case may be), the Primary Implementing Agency shall provide the Concessionaire with a written notice specifying the alleged failure and a reasonable opportunity to cure such failure within a specified time period. If the Concessionaire successfully cures the failure within the specified time period, the Primary Implementing Agency shall not encash the Construction Performance Security or the O&M Performance Security (as applicable).

10. *EMPLOYEES*

10.1 CONCESSIONAIRE'S EMPLOYEES

10.1.1 The Concessionaire shall employ and shall be entitled to directly offer employment to any suitably qualified, experienced and skilled personnel (the **"Concessionaire's Employees"**) based on the agreed upon and pre-defined terms of references, and on such terms and conditions as it deems fit, subject to the Good Industry Practice and the Applicable Laws, for the purpose of undertaking the operations, management and maintenance of the Club and the performance of the O&M Works in accordance with the requirements set out in this Agreement.

10.1.2 The Implementing Agencies are not and shall not be treated as the "*principal employer*" of or be deemed to have any contractual or other relationship with the Concessionaire's Employees under any of the Applicable Laws or the Applicable Permits relating to labour issues. The Concessionaire shall hold harmless and indemnify the Implementing Agencies against all losses that arise or that are incurred as a result of any claims made against the Implementing Agencies in respect of matters relating to health and safety and the employment or welfare of the Concessionaire's Employees.

10.1.3 The Concessionaire shall be solely responsible to remunerate and make other payments, as per the relevant contracts, to the Concessionaire's Employees. The Concessionaire shall also be responsible for and shall indemnify the Implementing Agencies against any costs or losses suffered by the Implementing Agencies in respect of any misconduct, violation of law, malpractice or mistreatment by any of the Concessionaire's Employees.

10.1.4 The Concessionaire may retain any of the existing employees of the Implementing Agencies working at the Club if, in the opinion of the Concessionaire, they possess the qualification, experience and skills required to undertake the Expansion Related Activities and/or the O&M Works.

Provided that such retention shall only be applicable where the subject employee illustrates to be a non-performing employee or that the same enhances the performance of the Concessionaire with regards to its obligations provided herein this Agreement.

10.1.5 The Concessionaire shall be solely responsible for the acts, omissions, failure to perform, breaches or defaults of the Concessionaire's Employees of the applicable standards of professional care and diligence as fully as if they were the acts, omissions, failures, breaches or defaults of the Concessionaire of the applicable standards of professional care and diligence.

10.2 APPOINTMENT OF CONCESSIONAIRE'S EMPLOYEES

10.2.1 The Concessionaire's Employees shall be recruited and appointed from across Pakistan. However, the Concessionaire shall ensure that fifty percent (50%) quota is reserved for locals of the province of Balochistan, in accordance with applicable laws, government policies, and any directives issued by the relevant authorities from time to time.

10.3 OTHER EMPLOYEE MATTERS

10.3.1 The Implementing Agencies shall not be liable, under any circumstance, including early Termination of this Agreement or an Implementing Agencies Event of Default on their part, to reimburse or indemnify the Concessionaire for any costs or liabilities, including those related to retrenchment compensation, that result

from the termination of employment of any or all of the Concessionaire's Employees. The Concessionaire shall bear all such costs or liabilities arising by operation of law.

10.4 ADDITIONAL SERVICES

10.4.1 The Implementing Agencies may, through the PSC, in writing, request additional services from the Concessionaire beyond those covered in this Agreement (the **"Request for Additional Services"**). The Concessionaire has the right to accept or decline these requests. If accepted, the Concessionaire must provide a quote for these additional services, including an execution and delivery timeframe. Compensation for these additional services will be based on a mutually agreed arrangement between the Implementing Agencies and Concessionaire. If the Parties cannot agree on the costs, the Independent Auditor may be consulted to determine the expected cost associated with the additional services outlined in the Request for Additional Services.

10.5 MEMBERSHIPS

10.5.1 The Concessionaire shall offer memberships of the Club in accordance with Clause 10.5.2.

10.5.2 The Concessionaire shall:

(a) restrict the total number of memberships to one hundred (100);

(b) determine the regular membership fee based on prevailing market conditions;

(c) allocate fifty percent (50%) of the memberships to private individuals and fifty percent (50%) to members from the public sector;

provided that the Concessionaire shall only issue memberships to public sector entities/persons upon furnishing a no-objection certificate, duly issued by the Secondary Implementing Agency.

(d) offer accommodation to officers notified by the Secondary Implementing Agency, on subsidised rates, as determined by the PSC, provided that a maximum of twenty percent (20%) of the rooms, on daily basis, shall be offered at subsidised rates.

11. *EMERGENCY STEP-IN*

11.1 SUSPENSION OF O&M WORKS BY IMPLEMENTING AGENCIES

11.1.1 Upon the occurrence of an Emergency, the Implementing Agencies reserves the right to suspend the performance of the O&M Works by the Concessionaire and to step in and take control over the O&M Works and the performance on temporary basis. The Implementing Agencies may only exercise such right of suspension by issuing a prior written notice of at least forty-eight (48) hours. The notice shall set out the following, to the extent possible in light of the circumstances of the Emergency:

(a) the nature of the Emergency and the reason for the step-in;

(b) the date on which the O&M Works are suspended.;

(c) the likely duration of the suspension; and

(d) the effect of the suspension on the Concessionaire and any reasonable obligations of assistance required of the Concessionaire during the suspension period.

11.2 CONSEQUENCES OF SUSPENSION OF O&M WORKS

11.2.1 During the suspension of the performance of the O&M Works by the Implementing Agencies pursuant to Clause 11.1:

(a) the Concessionaire shall be relieved from its obligations to provide the O&M Works but shall provide reasonable assistance to the Implementing Agencies upon request;

(b) the Concessionaire shall be responsible for bearing all costs and expenses in relation to the O&M (including any agreed or scheduled maintenance) and the performance of the O&M Works; and

(c) the Sponsor shall be entitled to only ninety percent (90%) of the Sponsor Actual Profit, during and in connection with such suspension and step-in, subject to verification by the Independent Auditor and approval by the PSC. However, the same shall, under no circumstances, exceed the amount of the O&M Performance Security;

provided that for the purposes of (c) above, the Sponsor shall only be entitled to receive such sums in the event such an Emergency has not occurred due to any reasons attributable to the Concessionaire;

further provided, in the event, such an Emergency has occurred due to any reasons attributable to the Concessionaire, the Implementing Agencies shall be entitled to encash the O&M Performance Security in entirety.

11.3 TERMINATION OF THIS AGREEMENT DUE TO SUSPENSION OF O&M WORKS

11.3.1 In the event the Implementing Agencies have not notified the end of the step-in after expiry of ninety (90) Days starting from date of step in by the Implementing Agencies, and except as otherwise agreed by Parties, this Agreement may be terminated on an immediate basis, and such Termination may be considered as resulting from a Concessionaire's Event of Default if the conditions leading to the suspension were caused by the Concessionaire. The exercise of Implementing Agencies rights under this Clause 11.3 shall be at the cost, risk, and expense of the Concessionaire. Furthermore, the Sponsor shall not be entitled to any payments during the time of step in other than those payments that are already due and payable under this Agreement.

11.4 OTHER CONSEQUENCES OF TERMINATION OF THIS AGREEMENT

11.4.1 All other consequences of Termination that are set out in the provisions of this Agreement shall apply.

12. *LICENCE*

12.1 LICENCE

12.1.1 Pursuant to this Agreement, the Implementing Agencies agree to licence the Club for the Concession Period to the Concessionaire for the purposes set out herein in this Agreement (the **"Licence"**).

12.1.2 The Licence shall commence on the physical handing over of the vacant possession of the Club to the Concessionaire by the Implementing Agencies and shall, upon commencement, be co terminus on the Trigger Date without the need for any action to be taken by the Parties to terminate the Licence. Any extension of the Concession Period shall also extend the Licence and the Concessionaire and the Implementing Agencies shall enter into such addendums, extensions or modifications of this Agreement as are necessary to give effect to such extension.

12.1.3 The Implementing Agencies shall facilitate the Concessionaire in obtaining any permission as may be required under the Applicable Laws relating to and regulating land, as applicable in the Province of Balochistan, Pakistan, so as to ensure that the Concessionaire can enjoy vacant possession and hold the area of land comprising the Club, except where failure to enjoy vacant possession has resulted from a breach by the Concessionaire of the applicable standards of professional care and diligence.

12.2 TITLE OF PROJECT SITE & DELIVERY OF VACANT POSSESSION

12.2.1 The Implementing Agencies represent and warrant that they have the power and authority to grant the Licence in respect of the Club to the Concessionaire.

12.2.2 In the event the Concessionaire is adversely affected and/or delayed in the performance of its obligations, in each case, resulting from any delay and/or failure of the Implementing Agencies to deliver vacant possession of the Club to the Concessionaire in accordance with this Agreement, such delay and/or failure of the Implementing Agencies shall entitle the Concessionaire to extension in time for fulfilling its obligations as mutually agreed between the Parties.

12.3 USE OF CLUB

12.3.1 The Concessionaire hereby unconditionally and irrevocably confirms, acknowledges and agrees that the Implementing Agencies shall grant the Licence of the Club to Concessionaire for the sole purpose of implementation of the Project and for enjoying the rights and benefits of the Concession granted hereunder and that the Concessionaire shall use the Club only for the purposes of implementing the Project thereupon and for purposes incidental or necessary thereto subject to the terms and conditions of the applicable standards of professional care and diligence.

12.3.2 The Concessionaire hereby undertakes that it shall not without prior written consent of the Implementing Agencies use the Club for any purpose other than:

(a) for the purposes of the Project and purposes incidental thereto;

(b) as permitted under this Agreement; or

(c) as may otherwise be approved by the Implementing Agencies in writing.

12.4 CONCESSIONAIRE'S RESPONSIBILITY

12.4.1 Without limiting any other obligations of the Concessionaire that are included in this Agreement, the Concessionaire shall be deemed as at the Effective Date to have:

(a) inspected and examined the Club and surroundings;

(b) satisfied itself as to the adequacy of its right of passage over, access to and through the Club and any accommodation it may require for the purposes of fulfilling any of its obligations included in this Agreement;

(c) satisfied itself as to the possibility of interference by Persons with rights-of-way across, access to or use of the Club with particular regard to the owners and users of any land adjacent to the Club; and

(d) satisfied itself as to the precautions, times and methods of working necessary to prevent or minimize nuisance or interference being caused to any third parties.

12.4.2 For the avoidance of doubt, the Concessionaire accepts full responsibility for all matters in Clause 12.4.1 and the Concessionaire shall:

(a) not be entitled to make any claim against the Implementing Agencies whether in contract, tort or otherwise on any ground relating to the matters in Clause 12.4.1; and

(b) indemnify the Implementing Agencies against all direct losses sustained by the Implementing Agencies and/or any third party in consequence of cleaning-up and otherwise dealing with any potentially hazardous materials being any natural or artificial substance, whether in solid, gaseous or liquid form capable of causing harm to any human or any other living organism supported by the environment (including air, water, land, surface land and sub-surface land) or capable of damaging the environment or public health or posing a threat to public safety including any pollutants and any hazardous, toxic, radioactive, noxious, corrosive or dangerous substances and all substances for which in each case liability or responsibility is imposed under applicable environment law) at the Club.

12.5 NO SALE OR CREATION OF ENCUMBRANCE

12.5.1 The Concessionaire shall not part with, dispose off, sell, sublease or create any encumbrance of any nature whatsoever on the whole or any part of the Club and shall not place or create nor permit any contractor or other person claiming through or under the Concessionaire to place or create any encumbrance over all or any part of the Club, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement.

12.6 PROTECTION OF CLUB FROM ENCROACHMENTS

12.6.1 Following the delivery and handing over to the Concessionaire of the vacant possession of the Club by the Implementing Agencies and until the Trigger Date, the Concessionaire shall be fully responsible for and shall protect the Club from, in each case, any and all occupations, thefts, encroachments and encumbrances. The Concessionaire further undertakes, covenants and confirms to indemnify the Implementing Agencies, from any costs, claims expenses or charges incurred resulting from any breach of its obligations under this Clause 12.6.

13. *CHANGE IN LAW*

13.1 CONSEQUENCES OF CHANGE IN LAW

13.1.1 If a Change in Law occurs, then within [•] ([•]) Days of its occurrence either Party may notify the other expressing its opinion on its likely effects, giving details of its opinion of:

(a) any necessary change in the O&M Works to be performed;

(b) the likely effects of such Change in Law on the validity and enforceability of this Agreement or the rights and benefits accruing to the Concessionaire;

(c) the ability of the Parties to re-negotiate the terms of this Agreement to mitigate the effects of such Change in Law, while adhering to the original commercial and financial position of the Parties;

(d) whether any changes are required to the terms of this Agreement to deal with such Change in Law;

(e) whether relief from compliance with obligations is required, including the obligation of the Concessionaire to meet the KPIs, on the occurrence of any relevant Change in Law;

(f) any increase in costs or delay that will result from the Change in Law;

(g) any work that is required or no longer required as a result of a Change in Law taking effect during the Concession Period; and

(h) in each case give in full detail the procedure for implementing the change in the O&M or the performance of the O&M Works.

13.1.2 A Party suffering from a Change in Law shall not be entitled to claim any relief under this Clause 13.1 unless it has served the notice within the time period set out in Clause 13.1.1.

13.1.3 As soon as practicable after receipt of any notice from either Party under Clause 13.1.1, the Parties shall discuss and attempt to agree on the issues referred therein and any ways in which the Concessionaire can mitigate the effect of (in collaboration with and subject to evaluation of the Independent Auditor and the Independent Expert) the Change in Law, including:

(a) providing evidence that the Concessionaire has used reasonable endeavours to minimize any increase in costs and maximise any reduction in costs;

(b) demonstrating to the Implementing Agencies that the Change in Law is the direct and primary cause of the increase in costs and/or delay and that the estimated increase in costs or delay could not reasonably be expected to be mitigated or recovered by the Concessionaire;

(c) demonstrating that any expenditure, which was anticipated to be incurred to replace or maintain assets that have been affected by the Change in Law, has been taken into account in the amount

stated in its opinion presented under Clause 13.1.1.

13.1.4 If the Parties are unable to agree on necessary amendments to the terms of this Agreement to give effect to the original commercial and financial position of the Parties within a period of ninety

(90) Days from the date on which a notice is issued under Clause 13.1.1, then either Party shall be entitled to terminate this Agreement by giving a notice of thirty (30) Days.

14. *INDEMNITY AND INSURANCE*

14.1 INDEMNITY

14.1.1 Subject to Clause 14.1.2, the Concessionaire shall be responsible for, and indemnify the Implementing Agencies, its employees and contractors on demand from and against, all liability for:

(a) death or personal injury of any persons;

(b) loss of or damage to property (including the Club or any other property linked to the Club which essentially belongs to the Secondary Implementing Agency or for which the Concessionaire is responsible);

(c) non-compliance by the Concessionaire with the Applicable Laws or the Applicable Permits;

(d) actions, claims, demands, costs, charges and expenses (including legal expenses) arising out or in relation to this Agreement;

(e) any adverse site conditions or environmental damage at the Club that may result from any action or inaction of the Concessionaire;

(f) any proceedings against the Implementing Agencies by any relevant Government Authority (including any withholding or deduction from amounts payable to the Implementing Agencies by that Government Authority) for failure of the Concessionaire to comply with any of its obligations hereunder which may arise out of, or in consequence of, the operation and maintenance of the Club, the performance of the O&M Works and any other performance or non-performance by the Concessionaire of its obligations under this Agreement; and

(g) any winding up proceedings in a court of law and/or any action for malpractice and/or misadministration is filed against the Concessionaire in a court of law.

14.1.2 The Concessionaire shall not be responsible or be obliged to indemnify the Implementing Agencies to the extent any injury, loss, damage, cost and expense caused by the negligence or wilful misconduct of the Implementing Agencies its employees and contractors or breach by the Implementing Agencies of their obligations under this Agreement.

14.1.3 The indemnification obligations of the Concessionaire under this Clause 14.1 shall be limited to the extent that the liability, loss or damage incurred by the Implementing Agencies, its employees and contractors is connected with the operation of this Agreement or the Club. The Concessionaire shall not be responsible for indemnification for liability, loss or damage that arises from the work of the Implementing Agencies, its employees and contractors that is not related or connected with the operation of this Agreement or the Club.

14.1.4 The Implementing Agencies shall have the right, but not the obligation, to contest, defend, and litigate any claim, action, suit or proceeding by any third party alleged or asserted against it in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified under this Agreement, and the reasonable costs and expenses thereof shall be subject to the indemnification obligations of the Concessionaire.

14.2 NOT USED

15. *FORCE MAJEURE*

15.1 FORCE MAJEURE EVENT

15.1.1 A **"Force Majeure Event"** shall mean any event or circumstance or combination of events or circumstances (including the effects thereof) that is beyond the reasonable control of either Party and that on or after the Effective Date materially and adversely affects the performance by such affected Party (the **"Affected Party"**) of its obligations under or pursuant to this Agreement, provided, however, that, such material and adverse effect could not have been prevented, overcome or remedied in whole or in part by the Affected Party through the exercise of diligence and reasonable care, it being understood and agreed that reasonable care includes acts and activities to protect the Club from a casualty or other event that are reasonable in light of the probability of the occurrence of such event, the probable effect of such event if it should occur, and the likely efficacy of the protection measures. Without limiting the generality of the foregoing, "Force Majeure Events" hereunder shall include each of the following events and circumstances (including the effects thereof), but only to the extent that each satisfies the requirements above:

(a) the following political events that occur inside or directly involve the province of Balochistan and affect the Concessionaire's ability to undertake the Expansion Related Activities and/or O&M Works or operate the Club (each a **"Political Event"**):

(i) any act of war (whether declared or undeclared), invasion, armed conflict or act of a foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, or act or campaign of terrorism or political sabotage;

(ii) any Lapse of Consent of which report to the Implementing Agencies, and the Independent Auditor shall have been given under provisions of this Agreement and that shall have existed for more than thirty (30) consecutive Days; or

(iii) any strike, work-to-rule, go-slow, or analogous labour action that directly affects the Concessionaire's operations, or is a nationwide action specifically related to the industry in which the concessionaire operates or that which makes it difficult for the Concessionaire to fulfil its obligations under this Agreement, if it has existed for more than thirty (30) consecutive Days.

(b) the following events beyond the reasonable control of the affected Party (each a **"Non- Political Event"**), including, but not limited to:

(i) lightning, fire, earthquake, tsunami, flood, storm, cyclone, typhoon, or tornado;

(ii) any Lapse of Consent of which report to the Implementing Agencies, and the Independent Auditor shall have been given under provisions of this Agreement and that shall have existed for less than thirty (30) consecutive Days;

(iii) any strike, work-to-rule, go-slow, or analogous labour action that is not politically motivated or is not widespread province-wide or nationwide;

(iv) explosion, chemical contamination, radioactive contamination or ionizing radiation (except to the extent any of the foregoing events or circumstances results directly from a Political Event, in which case such event or circumstance shall constitute a Political Event); or

(v) epidemic or plague.

provided, that each of the Political Events or the Non-Political Events shall only be considered as a Force Majeure Event if: (a) such event has existed for ninety (90) consecutive Days or more, or its effects have lasted for ninety (90) consecutive Days or more; and (b) it has affected the O&M Works and operations envisioned under this Agreement for ninety (90) consecutive Days or more;

(c) Force Majeure Events shall expressly not include the following conditions, events or circumstances:

(i) late delivery or interruption in the delivery of any equipment or consumables in respect of the Club;

(ii) a delay in the performance of Concessionaire's Employees;

(iii) a breakdown in the Club or any part thereof; or

(iv) normal wear and tear or random flaws in the Club or the assets located thereon;

provided that each of the events described in Clauses (c) (i), (ii), (iii) or (iv) shall constitute a Force Majeure Event to the extent that such events or circumstances are caused by an event or circumstance that is in itself a Force Majeure Event whether experienced directly by the Concessionaire or the Concessionaire's Employees.

15.2 OBLIGATION TO NOTIFY

15.2.1 Notwithstanding anything contained herein, the Affected Party shall, as soon as practicable, and in any case within three (3) Days of the occurrence of a Force Majeure Event or from the date of knowing thereof, notify the other Party, of the occurrence of the Force Majeure Event by the issuance of a notice in writing (the **"Force Majeure Notice"**).

15.2.2 The Affected Party shall provide all relevant details in respect of the Force Majeure Event in the Force Majeure Notice, including but not restricted to the following:

(a) the nature and extent of the Force Majeure Event;

(b) the estimated Force Majeure Period;

(c) the nature of and the extent to which, the performance of any of the Affected Party's obligations under this Agreement are affected by the Force Majeure Event;

(d) the measures which the Affected Party has taken or proposes to undertake to alleviate/mitigate the impact of the Force Majeure Event and to resume the performance of such of its obligations that are affected by the Force Majeure Event; or

(e) any other relevant information concerning the Force Majeure Event, and/or the rights and obligations of the Parties under this Agreement.

15.2.3 The Parties shall, as soon as practicable upon the receipt of the Force Majeure Notice and in any case within five (5) Days from the date of receipt of the same, convene a meeting, along with the Independent Auditor, for the purpose of conducting discussions, in good faith, and where necessary the Parties shall agree to conduct inspections and/or surveys of the Club in order to:

(a) assess the impact of the underlying Force Majeure Event;

(b) to determine the likely duration of the Force Majeure Period; or

(c) to formulate damage mitigation measures and the steps to be undertaken by the Parties for resumption of the obligations, the performance of which had been affected by the Force Majeure Event.

15.2.4 The Affected Party shall, during the Force Majeure Period, provide to the other Party with regular (not less than weekly) reports and such other information, details and/or documents that the other Party may reasonably require.

15.3 CONSEQUENCE OF FORCE MAJEURE EVENT

15.3.1 Upon the occurrence of a Force Majeure Event, the following shall apply:

(a) there shall be no Termination of this Agreement except in accordance with the provisions of Clause 15.5.

(b) in the event of the occurrence of a Force Majeure Event:

(i) the timelines for the Concessionaire to fulfil its obligations shall be extended as determined by the Independent Auditor. Should the Concessionaire object to the given timeline, the Dispute will be resolved in accordance with Dispute Resolution Procedure;

(ii) the Concessionaire may be excused from the fulfilment of the KPIs during the Force Majeure Period, as determined by the Independent Auditor. The Parties may, by mutual consent, revise the KPIs to be fulfilled by the Concessionaire for the period during which the Force Majeure Event occurs; and

(iii) all costs, fees, expenses and charges arising from and relating to the Force Majeure Event shall be allocated in accordance with provisions provided below, provided however that no relief, including an extension of time for performance of the O&M Works, shall be granted to the Affected Party to the extent that such failure or delay would nevertheless have been experienced by the Affected Party had the Force Majeure Event not occurred.

15.4 ALLOCATION OF COSTS ARISING OUT OF FORCE MAJEURE

15.4.1 In the event of a Force Majeure Event, all Force Majeure Costs shall be borne by the Concessionaire. The Implementing Agencies will not be held liable or responsible for the same in any manner.

15.4.2 Not Used.

15.4.3 Save and except as expressly provided in Clause 15.4, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereto.

15.5 TERMINATION NOTICE FOR FORCE MAJEURE EVENT

15.5.1 If a Force Majeure Event subsists for a continuous period of one hundred and twenty (120) Days, either Party may in its discretion, terminate this Agreement by issuing a Termination Notice to the other Party, or in case of a Political Event, the Implementing Agencies determines that the Force Majeure costs relating to the same are unacceptable then the Implementing Agencies may in its discretion terminate this Agreement by issuing a Termination Notice to the Concessionaire, in each case above, without being liable in any manner whatsoever, save as provided in this Clause 15.5, and upon issue of such Termination Notice, this Agreement shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith, provided, that before issuing such Termination Notice, the Party intending to issue the Termination Notice shall inform the other Party of such intention and grant fifteen (15) Days' time to make a representation, and may after the expiry of such fifteen (15) Days period, whether or not it is in receipt of such representation, in its sole discretion issue the Termination Notice.

15.6 FORCE MAJEURE DISPUTE RESOLUTION

15.6.1 In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event or the outcome to mitigate a Force Majeure Event as prescribed in Clause 15.3, such Dispute shall be finally settled in accordance with the Dispute Resolution Procedure, provided, that the burden of proof as to the occurrence or existence of such Force Majeure Event shall be upon the Party claiming relief and/or excuse on account of such Force Majeure Event.

15.7 EXCUSES FROM PERFORMANCE OF OBLIGATIONS

15.7.1 If the Affected Party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure Event, it shall be excused from performance of such obligations, excluding payment obligations, to the extent it is unable to perform due to such Force Majeure Event. This is provided that:

(a) the suspension of performance shall only be as extensive and lengthy as is reasonably necessitated by the Force Majeure Event and/or its effects;

(b) the Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and

(c) when the Affected Party can resume the performance of its obligations under this Agreement, it shall give to the other Party (with a copy to the Independent Auditor) notice to that effect and shall promptly

resume the performance of its obligations here under.

16. *EVENTS OF DEFAULT*

16.1 CONCESSIONAIRE'S EVENT OF DEFAULT

16.1.1 A **"Concessionaire's Event of Default"** means any of the following events arising out of any acts or omissions of the Concessionaire and which have not occurred as a direct consequence of any Implementing Agencies Event of Default, a Change in Law, or a Force Majeure Event and (unless otherwise provided for in this Agreement) where the Concessionaire has failed to remedy the defects specified in the Remedial Action Notice:

(a) abandonment by the Concessionaire which means a cessation of the performance of O&M Works or other obligations of the Concessionaire for a period of thirty (30) Days;

(b) the breach by the Concessionaire of its obligations to maintain insurances in accordance with the provisions of this Agreement;

(c) the breach by the Concessionaire of its material obligations under this Agreement;

(d) complete closure and/or non-availability of the Club, (excluding scheduled outages as prescribed by the GOP and/or GOB from time to time), for a period of thirty (30) Days consecutively;

(e) any material representation made or warranties given by the Concessionaire under this Agreement being false or misleading.;

(f) failure of the Concessionaire to procure and maintain a valid Construction Performance Security till the Construction Performance Security Expiry Date;

(g) breach of the Concessionaire's obligations under this Agreement;

(h) the Concessionaire entering into liquidation or similar state or if any order is made for the compulsory winding up or dissolution of the Concessionaire or if the Concessionaire becomes unable to pay its debts as they fall due or the appointment of a receiver or administrator in respect of the Concessionaire, its business and assets or any re-structuring, re-organisation, amalgamation, arrangement or compromise affecting the Concessionaire's ability to fulfil its obligations under this Agreement or that otherwise has or may have a Material Adverse Effect (in the reasonable opinion of the Implementing Agencies);

(i) the occurrence of a Sanction-able Practice;

(j) failure of the Concessionaire to make any payments that are due to be made to the Implementing Agencies under this Agreement, and if such failure is not cured within a period of sixty (60) Days;

(k) failure of the Concessionaire to meet the KPI consistently for a period of one (1) year;

(l) creation of any encumbrance on the Club in favour of any person save and except as otherwise expressly permitted in terms of this Agreement; and/or

(m) failure of the Concessionaire to procure and maintain a valid O&M Performance Security till the O&M Performance Security Expiry Date;

16.2 IMPLEMENTING AGENCIES EVENT OF DEFAULT

16.2.1 An **"Implementing Agencies Event of Default"** means any of the following events, caused occurring on behalf of either or both Implementing Agencies, unless such an event has occurred as a consequence of the Concessionaire's Event of Default, a Change in Law, or a Force Majeure Event and only where the Implementing Agencies have failed to remedy the defects specified in the Remedial Action Notice issued within the Remedial Period:

(a) breach of the obligations with respect to transfer or assignment of their rights and obligations under this Agreement as provided in provisions of this Agreement;

(b) any material representation made or warranties given by the Implementing Agencies under this Agreement being false or misleading;

(c) a failure by the Implementing Agencies to fulfil any other material obligations under this Agreement;

(d) a Change in Law that: (i) renders this Agreement unenforceable; or (ii) prevents any Party from exercising its rights and/or performing its obligations here-under; or (iii) prevents the Concessionaire from undertaking the O&M Works pursuant to this Agreement.

which in the case of (i), (ii), or (iii) above, has a continuing effect for more than **[•]** (**[•]**) Days without an arrangement being provided to exempt the affected party from the effect of such Change in Law.

17. *REMEDY OF DEFAULTS AND TERMINATION PROCEDURE*

17.1 PERFORMANCE OF OBLIGATIONS

17.1.1 If at any time either Party has failed to perform any of its obligations under this Agreement and that failure is capable of remedy, then the non-defaulting Party may serve a notice (the **"Remedial Action Notice"**) requiring defaulting Party to remedy that failure (and any damage resulting from that failure) within a justified period (the **"Remedial Period"**).

17.1.2 If the Party, on whom a Remedial Action Notice is served, fails to remedy the Event of Default within the justified Remedial Period, the non-defaulting Party may deliver a notice to the defaulting Party stating its intention to terminate this Agreement (the **"Notice of Intent to Terminate"**). The Notice of Intent to Terminate shall specify with reasonable detail, the grounds on which Termination is sought and any relevant defaults committed by the defaulting Party.

17.1.3 The provisions of this Agreement, to the fullest extent necessary to give effect thereto, shall survive the term of this Agreement or the Termination of this Agreement and the obligations of Parties to be performed or discharged following the Termination of this Agreement, shall accordingly be performed or discharged by the Parties.

17.2 CONSEQUENCES OF DEFAULT

17.2.1 **EVENT OF DEFAULT REMEDY PERIOD**

(a) Following the service of the Notice of Intent to Terminate, the defaulting Party shall have a period of sixty (60) Days (the **"EOD Remedy Period"**) to cure the Event of Default.

(b) During the EOD Remedy Period, the defaulting Party shall continue to undertake efforts to cure the Event of Default. During the EOD Remedy Period, the Parties shall continue to perform such of their respective obligations under this Agreement, which are capable of being performed with the objective, as far as possible, of ensuring the continued availability of the Project and the continued performance of the O&M Works, failing which the Party in breach shall be liable to compensate the other Party for any loss or damage caused or suffered on account of breach of conditions of this Agreement.

17.2.2 **WITHDRAWAL OF NOTICE OF INTENT TO TERMINATE**

(a) If, during the EOD Remedy Period, the defaulting Party rectifies or remedies the Event of Default to the satisfaction of the other Parties or the other Parties are satisfied with steps taken or proposed to be taken by the defaulting Party or the Event of Default has ceased to exist, the other Parties shall withdraw the Notice of Intent to Terminate in writing.

(b) If following the end of the EOD Remedy Period, the breach has not been remedied or the defaulting Party has not taken steps or proposed to take steps to remedy the Event of Default to the satisfaction of the innocent Parties, then the other Parties shall be entitled to issue the Termination Notice to the defaulting Party, whereupon this Agreement shall terminate forthwith.

17.3 ACCRUED RIGHTS AND LIABILITIES

17.3.1 Notwithstanding anything to the contrary contained in this Agreement, any Termination of this Agreement pursuant to the provisions contained herein shall be without prejudice to accrued rights of either Party including its right to claim and recover damages and other rights and remedies, which it may have in law or contract. All accrued rights and obligations of either Party under this Agreement shall survive the Termination of this Agreement, to the extent such survival is necessary for giving effect to such rights and obligations.

17.3.2 Nothing in this Clause 17.3 shall prevent or restrict the right of the Parties to seek injunctive relief or a decree of specific performance or other discretionary remedies of the court.

17.4 CONSEQUENCES OF TERMINATION

17.4.1 If this Agreement is terminated prior to its expiry:

(a) by the Implementing Agencies due to Concessionaire's Event of Default;

(i) the right of the Concessionaire to the profits shall stand terminated with immediate effect. All amounts being the sum of the profit share of the Secondary Implementing Agency and the Sponsor shall be payable to the Secondary Implementing Agency from the date of the Termination Notice, as determined by the Independent Auditor;

(ii) the Concessionaire shall immediately and in any event on the Transfer Date, hand over the Club to the Secondary Implementing Agency in accordance with the Taking Over Criteria;

(iii) the Sponsor shall transfer its entire shareholding in the Concessionaire to the Secondary Implementing Agency or its nominee for the nominal value of PKR 1/- (Pak Rupees One Only); and

(iv) the Primary Implementing Agency shall encash the Construction Performance Security or the O&M Performance Security, as the case may be;

(b) by the Concessionaire due to an Implementing Agencies Event of Default,

(i) the Concessionaire shall immediately and in any event on the Transfer Date, hand over the Club to the Secondary Implementing Agency in accordance with the Taking Over Criteria; and

(ii) the Sponsor shall transfer its entire shareholding in the Concessionaire to the Secondary Implementing Agency or its nominee for the nominal value of PKR 1/- (Pak Rupees One Only).

17.5 RIGHTS OF THE IMPLEMENTING AGENCIES ON TERMINATION AND / OR FINAL EXPIRY DATE

17.5.1 In case of Termination of this Agreement for any reason whatsoever or in case of expiry of this Agreement on the Expiry Date, on the Transfer Date:

(a) The Secondary Implementing Agency shall take possession and control of the Club from the Concessionaire;

(b) The Secondary Implementing Agency shall acquire the entire shareholding of the Sponsors in the Concessionaire, for a nominal value of PKR 1/- (Pak Rupees One Only); and

(c) The Implementing Agencies shall prohibit the Sponsor and any person claiming through or under the Sponsor from entering upon the Club or any part thereof.

18. *DISPUTE RESOLUTION*

18.1 PRELIMINARY SETTLEMENT

18.1.1 AMICABLE SETTLEMENT

If any dispute or difference or claims of any kind arises between the Implementing Agencies and the Concessionaire in connection with the construction, interpretation or application of any terms and conditions or any matter or thing in any way connected with or in connection with or arising out of this Agreement, or the rights, duties or liabilities of any Party under this Agreement, whether during the Concession Period or on expiry thereof, whether before or after the Termination of this Agreement (the **"Dispute"**), then the "*Dispute Resolution Committee*" which shall comprise of two (2) representatives, each from the Implementing Agencies and the Concessionaire, along with the Independent Auditor, being duly notified by the Implementing Agencies as the "*Dispute Resolution Committee*" shall meet at the request of any Party or Parties of this Agreement, to resolve such Dispute by discussion between them. The Dispute Resolution Committee shall meet within fourteen (14) Days of a request being made by any Party. The Independent Auditor shall chair the Dispute Resolution Committee in this regard.

18.1.2 The Dispute Resolution Committee shall meet as and when necessary, from time to time and attempt in good faith and use their best endeavours at all times to resolve the Dispute and produce written terms of settlement. If the Dispute is not resolved by discussion between the Parties through Dispute Resolution Committee, as evidenced by the signing of the written terms, within thirty (30) Days of raising such Dispute, the Dispute shall be resolved in accordance with Clause 18.2.

18.1.3 The existence, nature and consequences of a Change in Law, the Parties hereby agree to refer such matter for fast-track adjudication (subject always to final arbitration in terms of Clause 18.2) to the Independent Auditor.

18.1.4 The Parties may also, if they so agree at that time, refer for determination to the Independent Auditor any other matter of a technical nature or if any specific dispute or difference or claims of any kind arises between the Implementing Agencies and the Concessionaire related to the determination of:

(a) existence and the consequences of a Force Majeure Event;

(b) an Event of Default; or

(c) the remedy of defaults and Termination procedures as specified in Clause 17.

18.1.5 If any such specific dispute is not resolved by the Independent Auditor, within sixty (60) Days of its raising, it shall be resolved in accordance with Clause 18.2.

18.2 DISPUTE SETTLEMENT BY ARBITRATION

18.2.1 APPOINTMENT OF ARBITRATOR AND RULES GOVERNING ARBITRATION

The Parties acknowledge and agree that this Agreement constitutes a commercial transaction.

18.2.2 Each of the Parties unconditionally and irrevocably agrees in respect of a Dispute:

(a) to the submission of such Dispute to binding arbitration governed by the Arbitration Act, by appointment of three (03) arbitrators, one to be appointed by the Implementing Agencies, one to be appointed by the Concessionaire and one to be appointed jointly by the two (2) arbitrators appointed by the Implementing Agencies and the Concessionaire (the **"Arbitrator"**). Any arbitration proceedings commenced pursuant to this Clause 18.2 shall be referred to as the Arbitration (the **"Arbitration"**);

(b) not to claim any right it may have under the laws of any jurisdiction to hinder, obstruct or nullify the submission of the Dispute to the Arbitration; and

(c) to accept the Award rendered by the Arbitrator and any judgment entered thereon by a court of competent jurisdiction as final and binding and not to hinder, obstruct or nullify the enforcement or execution of any award rendered by the Arbitrator or court of competent jurisdiction.

18.2.3 PLACE OF ARBITRATION

The place of the Arbitration shall be Quetta, Pakistan.

18.2.4 LANGUAGE OF ARBITRATION

The request for the Arbitration, the answer to the request, the terms of reference, any written submissions, any orders and rulings pursuant to the Arbitration shall be in English and, if oral hearings take place, both English and Urdu shall be the languages used in the hearings.

18.2.5 ENFORCEMENT OF THE AWARD

Any decision or award resulting from the Arbitration (the **"Award"**) shall be final and binding upon the Parties. The Parties hereby waive, to the extent permitted by the Applicable Law, any rights to appeal or to review such Award by any court or tribunal. The Parties hereto, agree that the Award may be enforced against the Parties to the Arbitration proceeding or their assets, wherever they may be found, and that a judgment upon the Award may be entered in any court having jurisdiction thereof.

18.2.6 FEES AND EXPENSES

The fees and expenses of the Arbitrator and all other expenses of the Arbitration shall be borne and paid by the respective Parties, subject to determination by the Arbitrators. The Arbitrators may provide in the Award for the reimbursement to the prevailing Party of its costs and expenses in bringing or defending the Arbitration claim, including legal fees and expenses incurred by such Party.

18.2.7 PERFORMANCE DURING ARBITRATION

Pending the submission of and/or decision on a Dispute or until the Award is published the Parties shall continue to perform all of their obligations under this Agreement, without prejudice to a final adjustment in accordance

with such Award, unless this Agreement stands terminated. This Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the Award in any arbitration proceedings hereunder.

18.3 SURVIVAL

18.3.1 The provisions of this Clause shall survive the Termination of this Agreement for any reason whatsoever.

19. *REPRESENTATIONS AND WARRANTIES*

19.1 MUTUAL REPRESENTATIONS AND WARRANTIES

19.1.1 Each Party represents and warrants to the other Party that:

(a) it has full power and authority to execute, deliver and perform its obligations under this Agreement;

(b) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement;

(c) there are no actions, suits or proceedings pending or to its best knowledge, threatened against or affecting it before any court, administrative body or arbitral tribunal, which might materially and adversely affect its ability to meet or perform any of its obligations under this Agreement; and

(d) this Agreement constitutes its legal, valid, binding and enforceable obligation.

19.2 REPRESENTATION AND WARRANTIES OF IMPLEMENTING AGENCIES

19.2.1 The Implementing Agencies represent that they will facilitate in making arrangements for handing over the premises along with all necessary assistance required by the Concessionaire for the efficient operational management of the Club.

19.3 CONCESSIONAIRE'S REPRESENTATIONS AND WARRANTIES

19.3.1 The Concessionaire represents and warrants to the Implementing Agencies that:

(a) it has the financial and technical standing and capacity to undertake the Project in accordance with the terms of this Agreement;

(b) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, or constitute a default under any of the terms of its Memorandum and Articles of Association or other constitutive documents or any Applicable Laws or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;

(c) all information contained in the Bid is true, complete, and not misleading;

(d) it has complied with the Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a Material Adverse Effect on its ability to perform its obligations under this Agreement;

(e) no representation or warranty by it contained herein or in any other document furnished by it to the

Implementing Agencies or to the GOP or the GOB in relation to the Applicable Permits contains or will contain any untrue or misleading statement of a material fact or omits or will omit to state a material fact necessary to make such representation or warranty;

(f) neither the Concessionaire nor any of its affiliates, nor any Person acting on its or their behalf, has committed or engaged in, with respect to the Project or any transaction contemplated by this Agreement, any Sanction-able Practice; and

(g) the Concessionaire is not aware of any law, directive, notification, order or decree of any Provincial or Federal Government, or any court in Pakistan, as the case may be, that prevents or may prevent either Party from legally performing its obligations under this Agreement.

19.4 ACKNOWLEDGMENT

19.4.1 The Parties acknowledge and confirm that the Parties have relied upon and have entered into this Agreement on the basis of the representations, warranties and undertakings made by the Parties here under.

19.5 CONCESSIONAIRE'S UNDERTAKINGS

19.5.1 The Concessionaire undertakes to the Implementing Agencies that:

(a) nothing herein contained or the Concessionaire's performance under this Agreement shall conflict with any of the provisions of its constitutive documents;

(b) the Concessionaire has taken all the steps required under this Agreement, has executed all documents required by the terms of this Agreement, and has duly filed or registered each of these documents wherever required under any Applicable Laws or regulations; and

(c) the Concessionaire will promptly notify the Implementing Agencies of any material change in circumstances that might adversely affect its ability to fulfil its obligations under this Agreement.

20. *MISCELLANEOUS PROVISIONS*

20.1 SURVIVAL OF OBLIGATIONS

20.1.1 Any cause of action which may have arisen in favour of either Party or any right which is vested in either Party under any of the provisions of this Agreement as a result of any act, omission, deed, matter or thing done or omitted to be done by either Party before the expiry of the term of this Agreement by expression of time or otherwise in accordance with the provisions of this Agreement, shall survive the expiry of this Agreement.

20.2 ENTIRE AGREEMENT

20.2.1 The Parties hereto acknowledge, confirm and undertake that this Agreement, as at the date hereof, constitutes the entire understanding between the Parties regarding the Project and supersedes all previous written and/or oral representations and/or arrangements regarding the Project.

20.3 NOTICES

20.3.1 Any notice or request in reference to this Agreement shall be written in English language and shall be sent by registered airmail or facsimile and shall be directed to the other Party at the address mentioned below:

PRIMARY IMPLEMENTING AGENCY

ATTENTION: [•]

ADDRESS: [•]

TELEPHONE: [•]

EMAIL: [•]

SECONDARY IMPLEMENTING AGENCY

ATTENTION: [•]

ADDRESS: [•]

TELEPHONE: [•]

EMAIL: [•]

CONCESSIONAIRE

ATTENTION: [•]

ADDRESS: [•]

TELEPHONE: [•]

EMAIL: [•]

20.3.2 Any notice or demand served by registered post shall be deemed to be duly served forty-eight

(48) hours after posting and a notice or demand sent by an official email shall be deemed to have been served at the time of its transmission and in proving service of the same it will be sufficient to prove, in the case of a letter, that such letter was sent by registered airmail, addressed and placed in the post and the case of email transmission, that such email was duly transmitted to a current/notified email address of the addressee at the address referred above in office hours.

20.3.3 Each Party may change the above address/email address by prior written notice to the other Party.

20.4 COUNTERPARTS

20.4.1 This Agreement may be executed in [•] ([•]) counterparts, each of which, when executed and delivered, will be an original, and both counterparts together shall constitute the same instrument.

20.5 LANGUAGE OF COMMUNICATION

20.5.1 All notices and communications between the Implementing Agencies, the Concessionaire, and the Independent Auditor, required under this Agreement, shall be drawn up in English.

20.6 CONFIDENTIALITY

20.6.1 Each of the Parties shall keep confidential and ensure that their employees, officers, consultants, and advisers shall keep confidential, all documents and other information, whether technical or commercial, supplied to it by or on behalf of the other Party, relating to the Project and shall not, without the consent of the other Party, publish or otherwise disclose or use the same for its own purposes otherwise than as may be required (i) by Applicable Laws or appropriate regulatory authorities, (ii) to perform its obligations under this Agreement, or (iii) required to be shared with advisers in connection with the Project.

20.6.2 The provisions of Clause 20.6.1 shall not apply to:

(a) any information in the public domain otherwise than by breach of this Agreement; and

(b) information in the possession of the receiving Party thereof before disclosure as aforesaid, and which was not obtained under any obligation of confidentiality.

20.7 AMENDMENTS

20.7.1 Any provision of this Agreement must be recorded in an agreement in writing signed by the Parties as such it shall be recorded as 'Addendum' to this Agreement and such Addendums shall describe the detail of any amendments and those Addendums shall be considered as part of this Agreement.

20.8 WAIVERS AND CONSENTS

20.8.1 Any provision or breach of any provision of this Agreement may be waived before or after it occurs only if evidenced by an agreement in writing signed by the waiving Party.

20.8.2 Any consent under or pursuant to any provision of this Agreement must also be in writing and given prior to the event, action or omission for which it is sought.

20.8.3 Any such waiver or consent may be given subject to any conditions thought fit by the Person(s) giving it and shall be effective only in the instance and for the purpose for which it is given.

20.9 SEVERABILITY

20.9.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will, in any way, be affected or impaired and the legality, validity and enforceability of the remainder of this Agreement shall not be affected save as to any provisions which are reliant, linked, associated and/or connected with the provision barred by law and the performance of such connected provisions becomes unenforceable without the performance of such invalid and/or illegal provision.

20.9.2 The Parties will negotiate in good faith to agree on one or more provisions that may be substituted for any such invalid, illegal or unenforceable provision and which are satisfactory to the Concessionaire and produce as nearly as is practicable in all the circumstances the appropriate balance of the commercial interests of the Parties.

20.10 COSTS AND EXPENSES

20.10.1 The Concessionaire shall be responsible for paying its costs and expenses incurred in connection with the negotiation and execution of this Agreement.

20.11 NO ASSIGNMENT

20.11.1 Except as otherwise provided in this Agreement, the rights and obligations of the Concessionaire under this Agreement shall not be assigned, novated or otherwise transferred to any Person without the prior written consent of the Implementing Agencies.

20.11.2 The rights and obligations of the Implementing Agencies under this Agreement shall not be assigned, novated or otherwise transferred to any Person other than a public body or a government company or a statutory corporation that:

(a) is a single entity;

(b) to whom the entire Agreement is assigned and/or transferred; and/or

(c) has the legal capacity, power and authority to become a party to and to perform the obligations

of the Implementing Agencies under this Agreement.

20.12 GOOD FAITH

20.12.1 Each Party shall act in good faith in exercising its rights and performing its obligations under this Agreement.

20.13 GOVERNING LAW & JURISDICTION

20.13.1 This Agreement shall be governed by and construed in accordance with the laws of Pakistan and the courts at Quetta shall have non-exclusive jurisdiction to hear and decide the matter.

20.14 PDF COST

20.14.1 The Primary Implementing Agency shall charge an amount of PKR 6,000,000/- (Pakistani Rupees Six Million only) as the project development facility cost (the "**PDF Cost**"), being a reimbursement of expenses incurred by the Implementing Agencies in connection with the preparation, appraisal and approval of the Project. The PDF Cost shall be borne by the Concessionaire.

20.15 SUCCESS FEE

20.15.1 The Primary Implementing Agency shall charge a success fee equal to zero-point two five percent (0.25%) of the Estimated Expansion Cost (the "**Success Fee**"), payable as consideration for the award of this Agreement. The Success Fee shall be borne by the Concessionaire.

20.16 ACHIEVING KPIS

20.16.1 An independent firm mutually agreed upon by the Implementing Agencies and the Concessionaire shall be hired by the Concessionaire to measure the KPIs. The measured KPIs shall be reported to the PSC to monitor the performance of the Project.

20.17 PROCUREMENT UNDER PROJECT

20.17.1 All project procurement shall be made under the terms of this Agreement and in accordance with the Procurement Policies / Rules / Guidelines of the Concessionaire as endorsed by the PSC. The Balochistan Public Procurement Regulatory Authority Rules ("**BPPRA Rules**") shall not be applicable.

20.17.2 The procurement process shall be transparent, fair, and competitive.

20.17.3 The Concessionaire shall be responsible for ensuring that all procurement is made in a timely and efficient manner and that the quality of goods and services procured is in accordance with the requirements specified in this Agreement.

20.17.4 Any disputes or concerns related to the procurement process shall be brought to the attention of the PSC in writing.

20.17.5 The PSC shall be provided a record of all the procurement made under this Agreement.

20.18 INSURANCE

20.18.1 An insurance program or government policy shall be in place to cover all Concessionaire's Employees in the event of any untoward incident. The value or amount of the insurance coverage shall be approved by the PSC.

20.18.2 The insurance coverage shall include labour injuries and casualties, and shall be applicable to all Concessionaire's Employees. The Concessionaire shall be responsible for ensuring that all Concessionaire's Employees are enrolled in the insurance program and that the premiums are paid in a timely manner.

20.18.3 In the event of an untoward incident, the Concessionaire shall be responsible for initiating the insurance claim process and providing necessary support to the affected Concessionaire's Employees.

20.18.4 Any disputes or concerns related to the insurance coverage shall be brought to the attention of the Implementing Agencies in writing.

20.18.5 The Concessionaire shall at all times during the Concession Period, at its cost and expense, procure and maintain the insurance.

20.19 FIXED ASSET REGISTER

20.19.1 A fixed asset register shall be maintained to record all the fixed assets acquired by the Concessionaire. The register shall include information on the asset description, quantity, location, date of acquisition, cost, and any other relevant information.

20.19.2 The fixed asset register shall be updated on a regular basis and shall be made available for review by the Implementing Agencies, the Independent Auditor, the Independent Engineer, and the Independent Expert upon request.

20.19.3 The Concessionaire shall be responsible for ensuring that all fixed assets are maintained in good condition throughout the term of this Agreement.

20.19.4 The Concessionaire shall also be responsible for insuring all fixed assets against loss or damage, and for bearing the cost of such insurance.

20.19.5 In the event of any loss or damage to a fixed asset, the Concessionaire shall report the incident to the implementing agencies and the PSC immediately and take necessary steps to repair or replace the asset.

20.19.6 Any disputes or concerns related to the fixed asset register shall be brought to the attention of the implementing agencies and PSC in writing.

20.19.7 Upon the Termination of this Agreement, the Concessionaire shall be responsible for returning all fixed assets to the Secondary implementing agency in good condition, fair wear and tear excepted.

SIGNATURE PAGE

IN WITNESS WHEREOF the Parties has executed this Agreement on the day, month and year first above written.

PRIMARY IMPLEMENTING AGENCY

For and on behalf of the **[•]** through its authorised signatory

SIGNATURE

NAME: [•]

DESIGNATION: [•]

CNIC NO.: [•]

SECONDARY IMPLEMENTING AGENCY

For and on behalf of the **[•]** through its authorised signatory

SIGNATURE

NAME: [•]

DESIGNATION: [•]

CNIC NO.: [•]

CONCESSIONAIRE

For and on behalf of **[•]** through its authorised signatory

SIGNATURE

NAME: [•]

DESIGNATION: [•]

CNIC NO.: [•]

WITNESSES

NAME:

DESIGNATION:

CNIC NO.:

SIGNATURE

NAME:

DESIGNATION:
CNIC NO.:

}

SIGNATURE

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10. LIST OF SCHEDULES

SR. NO.	REFERENCE	TITLE
1.	**SCHEDULE A**	CLUB
2.	**SCHEDULE B**	CONCESSIONAIRE'S SCOPE OF WORK
3.	**SCHEDULE C**	KEY PERFORMANCE INDICATORS
4.	**SCHEDULE D**	TERMS OF REFERENCES FOR THE INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT
5.	**SCHEDULE E**	FORM OF CONSTRUCTION PERFORMANCE SECURITY
6.	**SCHEDULE E1**	FORM OF O&M PERFORMANCE SECURITY
7.	**SCHEDULE F**	REPORTING FORMS
8.	**SCHEDULE G**	HANDING OVER CRITERIA
9.	**SCHEDULE H**	TAKING OVER CRITERIA

SCHEDULE A – CLUB

[•]

SCHEDULE B – CONCESSIONAIRE'S SCOPE OF WORK

1. Introduction

The Quetta Officers Club (QOC) is being outsourced under a Public-Private Partnership (PPP) model to improve its service quality, operational efficiency, and financial sustainability. The private partner will be responsible for upgrading, operating, and maintaining the facility to a minimum three-star hospitality standard.

The proposed PPP intervention will ensure that QOC is transformed into a self-sustaining, high-quality hospitality facility. By leveraging private sector expertise, investment, and management efficiency, this initiative aims to enhance guest experiences, financial sustainability, and overall operational excellence in line with modern hospitality standards.

2. Responsibilities of the Private Partner

2.1 Proposed Design, Development & Upgradation

The private partner shall be responsible for:

(iv) Infrastructure Expansion: Expanding the facility to a total of minimum 30 rooms (including existing suites and guest rooms).

(v) New Facilities Addition:

- Swimming pool with sauna, jacuzzi, steam and modernized fitness/gymnasium center.
- New restaurants, dining and banquet areas.
- Coffee shop and café.
- Roof-top development for events and leisure along with Walking track, squash and other sports facilities, as possible for recreational purposes.

(vi) Renovation & Modernization:

- Upgrading existing guest rooms, suites, halls, and sports facilities.
- Enhancing interior design to align with a three-star hospitality standard.
- Implementing eco-friendly practices and energy-efficient solutions.

2.2 Operations & Management

(vii) Facility Management: Ensuring smooth operations and upkeep of all club amenities.

(viii) Housekeeping & Hygiene: Maintaining high cleanliness and hygiene standards.

(ix) Guest Services: Implementing premium hospitality practices to enhance guest experiences.

(x) Security & Safety: Providing 24/7 security, fire safety compliance, and emergency response systems.

(xi) Staff Recruitment & Training: Hiring skilled professionals and providing ongoing training programs.

(xii) Hospitality Management Services: Utilizing hospitality management systems for bookings, security, and customer service.

2.3 Marketing & Revenue Generation

(vi) Brand Development: Establishing QOC as a premium hospitality destination.

(vii) Promotional Campaigns: Implementing digital and traditional marketing strategies.

(viii) Membership Programs: Offering exclusive memberships for government officials and other patrons.

(ix) Event Hosting: Organizing corporate events, social gatherings, and government meetings.

(x) Revenue Diversification:

- Hotel accommodation.
- Food & beverage services.

- Sports and wellness facilities.
- Banquet and conference hall rentals.
- Other auxiliary services.

2.4 Maintenance & Compliance

(v) Regular Maintenance: Ensuring preventive and corrective maintenance of infrastructure and amenities.

(vi) Environmental Compliance: Implementing eco-friendly initiatives such as waste management and energy conservation.

(vii) Health & Safety Standards: Complying with local and international safety regulations.

(viii) Guest Feedback Mechanism: Establishing a structured approach for customer feedback and continuous improvement.

3. Governance, Monitoring & Evaluation

3.1 Performance Monitoring

(iv) Independent Oversight: Compliance monitoring by an independent auditor and engineer.

(v) Service Quality Standards: Regular evaluations to maintain hospitality benchmarks.

(vi) Annual Audits: Financial and operational audits for transparency and accountability.

3.2 Compliance & Reporting

(iii) Periodic Performance Reports: Submission of operational, financial, and maintenance reports to the Government of Balochistan (GoB).

(iv) Transparency Measures: Regular public disclosures on club performance and financial sustainability.

3.3 Governance & Contractual Obligations

(iii) PPP Contract Adherence: The agreement shall outline renewal and termination conditions.

(iv) Facility Handover: At the end of the contract, QOC will be returned to GoB in excellent condition, at zero cost, in case the contract is not extended.

4. Implementation Timeline

(iv) Year 1-2: Design, approvals, construction, and upgradation.

(v) Year 3-16: Full-scale operations, maintenance, marketing, and revenue generation.

(vi) End of Year 17: Handover of a maintained facility to the Government of Balochistan.

SCHEDULE C – KEY PERFORMANCE INDICATORS

[•]

SCHEDULE D – TERMS OF REFERENCES FOR THE INDEPENDENT AUDITOR, INDEPENDENT ENGINEER, AND INDEPENDENT EXPERT

[•]

SCHEDULE E – FORM OF CONSTRUCTION PERFORMANCE SECURITY

[•]

SCHEDULE E1 – FORM OF O&M PERFORMANCE SECURITY

[•]

SCHEDULE F – REPORTING FORMS

[•]

SCHEDULE G – HANDING OVER CRITERIA

[•]

SCHEDULE H – TAKING OVER CRITERIA

[•]