

Concession Agreement

This Agreement is for the ‘Establishment of Public Service Vehicle Inspection & Certification System (VICS) (“Agreement”) is made at Lahore on this __ day of _____2014

BETWEEN

Governor of the Punjab, through Secretary to the Government of the Punjab, Transport Department ,11-A, Egerton Road, Transport House, Lahore, Pakistan, (hereinafter called the “**The Authority**”) which expression unless repugnant to the context shall mean and include its successors, executors, administrators and assigns of the **First Part**.

AND

M/s _____ (hereinafter referred to as “The Concessionaire / Concessionaire”) having its registered office at _____ through its Chief Executive _____ who is duly authorized by Resolution of the Board of Directors to conclude and execute the Agreement which shall include its successors and duly appointed assigns which expression, unless repugnant to the context shall mean and include its heirs, successors, executors, administrators and assigns) of the **Second Part**.

The Transport Department, Government of Punjab and the M/S _____ are hereinafter collectively referred to as the “**Parties**” and individually referred to as the **party**”)

Terms of the Agreement

- A. Whereas the Authority has a mandate to develop and implement policies for the regulation, promotion and facilitation of safe, integrated and efficient transport facilities and services within the Province of Punjab. The Transport Department is further authorized to enter into agreements and contracts with local and international entities accordingly.
- B. The Authority decided to develop a modernized and properly equipped “PSVs Inspection and Certification System” (VICS) so that only properly maintained PSVs uses public roads and highways, which shall improve road safety and environmental pollution
- C. The Authority received an unsolicited proposal from a consortium of international firms. The Authority considered the proposal and modified the same in consultation with the Consortium. Subsequently, the project proposal was presented to and approved by PPP steering committee. On the basis of the proposal received the Authority has conducted comparative bidding and selected the consortium due to its meeting the best comparative bid received [or the best bidder on the basis of technical and financial evaluation although the first right to match the best bid remained with the consortium who prepared the proposal] in accordance to the Section 19 of the Punjab Public Private Partnership for Infrastructure Act, 2010.

- D. And whereas the (M/s _____) has the necessary arrangements and is desirous for the Establishment of Vehicle Inspection and Certification System (VICS) in Punjab on Build-Operate-and-Transfer (BOT) basis under Punjab Public Private Partnership (PPP) for Infrastructure Act 2010.
- E. And whereas the (M/s _____) shall finance the establishment of the Vehicle Inspection and Certification System (hereinafter refers to “VICS Centers / Stations”), as per committed / approved standard specifications and milestones provided in this agreement.
- F. And whereas the (M/s _____) agrees to operate and maintain all Vehicle Inspection Centers throughout the concession period.
- G. And whereas the (M/s _____) agrees to transfer the infrastructure, equipments and all other allied facilities including skilled resources to the Authority upon successful completion of the concession period.
- H. And whereas the M/S _____ agrees to establish the required number of stations in Punjab as per the committed construction and operation deadlines in two phases, for details refer to Annex A.
- I. And whereas the M/s _____ agrees to pay to the GoPb _____% share on gross annual revenue from Vehicle Inspections based on 50% compliance rate
- J. And whereas the M/s _____ agrees to pay to the GoPb _____% share on gross annual revenue from Vehicle Inspections + 0.25% on every 1% increase above 50% vehicle compliance rate. (Additional fee will be applied on revenue generated from vehicles above 50% compliance rate only).
- K. And whereas the M/s _____ shall be entitled to claim compensation if the vehicle compliance rate falls below 50%. The maximum amount of compensation shall not be greater than the revenue generated from the difference of compliance rate committed by the Authority and the compliance rate observed/recorded in actual.
- L. And whereas the M/s _____ agrees that GoPb share may adjust in compensation for vehicle compliance rate below the 50% in reference to the sub clause K mentioned above.
- M. And whereas the M/s _____ agrees that GoPb commitment for 50% compliance every year is fixed
- N. And whereas the M/s _____ agrees that the Transport Department at the beginning of every fiscal year shall obtain PSV data from the E&T Department, apply vehicle reduction factor, determine the compliance rate for the next target year and share with the Concessionaire.
- O. And whereas the Authority commits to provide land on lease basis official rate applied by Board

of Revenue on the lease of State land for sites in Punjab. In case where state land is not available the Authority shall acquire the land and shall provide it to the Concessionaire at the market rate.

- P. The Concessionaire shall pay to GoPb the lease amount throughout the concession period at a rate PKR_____ per month.
- Q. The lease amount shall increase on annual basis at official rate applied by Board of Revenue on the lease of State land or 10% whichever is the less. In case where the land made available is other than the state land, the lease amount shall be increased according to the market rate.
- R. And whereas the M/S _____ agrees to charge the fee prescribed by the GoPb and increase on annual basis with Authority's consent in accordance with the rate of inflation as notified by The Pakistan Bureau of Statistics.
- S. And whereas the M/S _____ agrees to reimburse the cost USD 106,840 to M/S Swede-Tech for preparing feasibility report for VICS Project
- T. And whereas the M/S _____ agrees to pay 50% of the consultancy cost associated with the appointment and services for the third party independent consultant as detailed in Annex C.
- U. And whereas the M/S _____ shall be accountable to the audit paras / queries raised by the office of the statutory auditor general during annual audits to the extent of share of GoPb.
- V. And whereas the M/S _____ agrees to transfer the entire infrastructure, equipment, technology and all other allied facilities related to the Vehicle Inspections to the GoPb, in good working condition with a minimum operational life of five years upon the completion of this concession agreement. The remaining operational life of the equipment / infrastructure shall be established by the third party Independent Consultant/ Auditor.
- W. And whereas the M/S _____ agrees to establish the Vehicle Inspection and Certification System in Punjab conforming to the deadlines, standards, methods, specifications and procedures defined in the Request for Proposal Document (Relevant Sections of the RFP will become part of the C.A).
- X. And whereas both the parties in consideration of the underlying facts and representations made herein above, and in further consideration of the mutual covenants and conditions contained, in this Agreement, agree as follows:

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES HERETO, HEREBY MUTUALLY AGREED AS FOLLOWS:

1. This Agreement comprises of:

- a) The letter of award dated _____
- b) This agreement
- c) The schedules

- Schedule I: Annex B Minimum Standard and Specification
- B-I Locations Map
- B-II Minimum Requirements for VICS Stations
- B-III Drawings for Type A Stations
- B-IV Drawings for Type B Stations
- B-V Drawings for Type C Stations
- B-VI Equipment Specifications
- B-VII Inspection Tests
- B-VIII Vehicle Inspection Criteria
- Schedule II: Financial Bid (Quoted GoPb Share Schedule for Vehicle Inspections)
- Schedule III: The Draft Performance Guarantee
- Schedule IV: Key Performance Indicators (KPI's)
- Schedule V: Fines and Penalties
- Schedule VI: Performa for Relevant Clauses from the RFP Document

2. The Parties understand and agrees that the Concessionaire shall build, operate, maintain, and transfer VICS centers in accordance with the terms and conditions of this Agreement.

3. The M/s _____ hereby declares its solemn commitment to the afore-stated objectives and undertakes to honestly, diligently and efficiently performs its obligations under this Agreement to ensure the timely establishment, operation, maintenance and transfer of VICS centers.

4. In view of the laudable objectives stated above, the Parties affirm their commitment to act in accordance with the terms of this Agreement in good faith towards each other in the larger public and national interest to ensure the success of the Project.

5. In consideration of the M/s _____ agreeing, undertaking and affirming its commitment to the Project (comprising the Establishment of Vehicle Inspection and Certification System (VICS) in Punjab) strictly in accordance with the under-mentioned terms and conditions of this Agreement, the Transport Department hereby agrees to provide the necessary assistance support to the M/s _____ in accordance with the terms of this Agreement.

1 GENERAL CONDITIONS OF THE AGREEMENT

1.1 Agreement Period

This Agreement shall remain in force for a period of Twenty (20) years from the date of commencement of operation for Vehicle Inspection and Certification in Punjab extendable twice for five years each with mutual consent of the parties.

1.2 Establishment of PSV Inspection Centres

It shall be the responsibility of the Concessionaire to establish the vehicle inspection and certification system, on Build, Operate and Transfer mode under Punjab Public Private Partnership Act 2010. The Concessionaire shall bear all costs incurred in the project planning, designing, land lease, construction / infrastructure development, equipment, and any other cost associated with the project development and operation. The type, location, and specifications of each facility should be as per the Authority's requirements, for details refer to Schedule-I of this Agreement.

1.3 Fee Structure and Annual Fee Increment

The proposed fee structure shall be increased by 1.8 times the existing fee structure for first year of operation. The fee structure following the first year will be gradually increased considering inflation rate by mutual consent of the Concessioner and Authority:

Fee for First Time Registration and Fitness (One Time)		Fee (PKR)
(i)	Transport Vehicles Except Delivery Vans	600
(ii)	Delivery Vans	400
(iii)	Motor Cab, Taxi, Rickshaws, Motorcycle Rickshaws	400
Renewal Fee (Every 6 months)		Fee (PKR)
(i)	Heavy Transport Vehicles	300
(ii)	Light Transport Vehicles	300
(iii)	For Delivery Vans	250
(iv)	For Motor Cab, Taxi, Rickshaws, Motorcycle Rickshaws	250

1.4 GoPb Share

There are three scenarios for the Concessionaire to pay the GoPb Share on gross annual revenue in conjunction with compliance rate as detailed below:

Scenario I: when Vehicle Compliance rate is equal to 50%

When the Vehicle Compliance rate is 50%, the Concessionaire shall only pay the GoPb Committed Amount (the percentage amount which the bidder has quoted in the financial bid applied to the gross revenue)

Scenario II: when Vehicle Compliance rate is greater than 50%

When the Vehicle Compliance rate is more than 50%, the Concessionaire shall pay:

the Committed Amount (the percentage amount which the bidder has quoted in the financial bid applied to the gross revenue of 50% compliance)

PLUS

0.25% on every 1% increase in compliance above 50% based on the revenue generated from compliance above 50%.

Scenario III: when Vehicle Compliance rate is less than 50%

When the Vehicle Compliance rate is less than 50%, the Concessionaire shall be entitled to claim compensation, equivalent to the revenue generated from inspection fee from difference between Committed Amount (the percentage amount which the bidder has quoted in the financial bid) and Actual Compliance rate. The GoPb share on actual revenue shall be subsequently adjusted in the compensation.

1.5 Fee for Re-visits

In case a vehicle fails to pass a fitness test, they will be given a failure report indicating faults and list of necessary repairs to fix before appearing for a retest. The next test (1st re-visit) will be free of charge and only items highlighted in the failure report will be evaluated. If however, repairs are not performed to the required standards they will be asked to repair and re-appear for fitness tests. The fee for 1st visit and revisits in case of failing test are given below in the table.

Visits	Time Limit*	Fee
1 st Visit	6 Months	Standard Fee (as per Performa 6)
1 st Re-Visit	2 Weeks	No Fee (Free of charge)
2 nd Re-Visit	1 Week	25 % of the Standard Fee in Presence of TPV
3 rd Re-Visit	1 Week	50% of the Standard Fee; In the Presence of TPV, and if found unfit shall be impounded.
*Time allowed for fixing necessary repairs. The unfit vehicle may be allowed to use public highway to access workshops for mandatory repairs, and vehicle inspection centre.		

1.6 Late Inspection Penalty

A late inspection penalty of 1% (of the inspection fee) per day will be charged from the customer. The Concessionaire shall, on behalf of the Authority, collect this amount through their invoice and pass on 50% of the late inspection penalty to the Authority.

1.7 Failure to Perform Tests

The Authority shall penalize the Concessionaire for not performing vehicle inspections due to their own fault/negligence. The Concessionaire shall report to the Authority regarding faults and time required for rectification. A total of 72 hours excluding holidays shall be given for fault rectification, if however, problem(s) are not fixed, the Concessionaire shall be penalized for not taking appropriate actions to ensure system performance. Details of fine / penalty are given below:

Type of Penalty	Failing to Perform Tests	Fine Per Day (PKR)
Upon Informing Authority	Due to Concessionaire Fault	2500
Without Informing Authority	Due to Concessionaire Fault	5000

1.8 Fee Exemption for Newly Manufactured Vehicle

It will be mandatory for all PSVs to register their vehicle(s) with VICS. Vehicle owner must present all necessary information pertaining to the vehicle and its ownership for example Delivery Challan or, Bill of Entry and CNIC of the owner etc. A unique code will be generated along with all other information stored on the system on an electronic tag called RFID for future references and monitoring. All registered vehicles will be inspected upon first registration and will be given date for next inspection. However, newly manufactured vehicles (solely new and not refurbished / reconditioned / newly registered but used vehicles) will be given exemption for a period of two years. Registration charges shall be as specified in /section 1.3 above.

1.9 Others Inspections / Services

In addition to the regular vehicle inspections the Concessionaire shall be liable to provide paid services to the GoPb in the following areas:

- i. Inspect crashed vehicles for determination of vehicle fitness following an incident
- ii. Inspection of vehicles other than PSVs in Punjab
- iii. Inspections of PSVs or private vehicles in any other part of the country
- iv. Any other special task assigned by the Authority in relation to the vehicle fitness for example evaluation report, road worthiness, vehicle age etc.

Similarly concessionaire shall also be entitled for inspections at VIC stations vehicles other than those specifically agreed herein after approval from the Authority.

1.10 Customer Care Management

The Concessionaire shall prepare and implement the customer care management plan for addressing customer's complaints. The complaints should be resolved within 24 hours. The third party Independent Consultant/ Auditor shall report to the GoPb on the Concessionaire performance in relation to the Customer Care.

1.11 Transfer of VICS Infrastructure / Technology to GoPb

The Concessionaire upon completion of concession period shall transfer all assets / infrastructure related to the VICS. The infrastructure (hard and soft components) should be in working condition and should have sufficient life (minimum 5 years) for operational use. In addition the Concessionaire should time to time update infrastructure, equipment and software to keep up with the latest technology and standards. The Concessionaire shall also ensure that the additional demand due to vehicular growth for vehicle inspections through the contractual period is catered for.

1.12 New Development in Technology:

The state of technology for vehicle inspection may change over the 'term of contract' and may require up-gradations. The Concessionaire shall be responsible to review and evaluate necessary changes in the equipments (soft and hard components) and inspection procedure to keep up to the date with the latest technological developments in the field of vehicle inspections. The concessionaire shall also be responsible to calculate the cost associated with the installation of such equipment / technology and determine the impact on inspection fee due to technological upgrade for Authority's approval.

1.13 Compliance Rate for Inspections

The Transport Department, Government of Punjab shall ensure a minimum vehicle inspection compliance rate of **50%** in accordance to the **Table** attached in Annex D of this agreement. The Transport Department at the start of every financial year shall obtain registered PSVs data from the E&T Department, apply vehicle reduction factor, set targets of compliance rate for the next fiscal year and share with Concessionaire. The PSVs data as given in Annex D shall be only used to calculate the starting year compliance rate.

If the Authority fails to ensure the minimum 50% compliance rate, the Concessionaire may claim compensation to an amount equivalent to the revenue generated from the difference of committed and actual compliance rate. The GoPb share on revenue shall be subsequently adjusted.

1.14 Enforcement Mechanism

To keep the un-fit vehicles off the road, the Authority may strive to use the following enforcement mechanisms:

- i. **Enforcement through registration denial:** A fitness certificate / registration with VICS shall be required as a mandatory document for vehicle registration with the Excise and Taxation Department. Failing to provide fitness registration certificate will result in registration denial.
- ii. **Enforcement through Token Tax:** A valid fitness certificate / registration with VICS shall be required as a mandatory document for obtaining token tax from the Excise and Taxation Department. Failing to provide fitness certificate will result in denial of token tax.
- iii. **Enforcement through Route Permit:** A valid Fitness Certificate/ registration with VICS shall be required as a mandatory document for issuance as well as renewal of Route Permit from the office of the DRTA. Failing to provide fitness certificate will result in Route Permit denial.
- iv. **Enforcement through the Transport Department personnel:** The district administration through respective Secretary District Regional Transport Authority staff shall be responsible to enforce the vehicle inspections and impound vehicles without valid fitness certificates
- v. **Enforcement through Traffic Police / Traffic Wardens:** The district traffic police / traffic wardens shall enforce the vehicle inspection and shall penalize unfit vehicles on road.
- vi. **Radio frequency identification technology (RFID):** The Concessionaire shall establish the system of 'RFID technology' as a tool to assist the enforcement personnel for identification and validation of unfit vehicles on roads. The Concessionaire shall provide at its own cost the RFID bar code readers to the enforcement personnel such as Traffic Police or DRTAs for

effective enforcement.

- 1.14.1 The transport department shall strive to facilitate the concerned Government agencies for making requisite amendments in laws/rules and regulations for implementation of enforcement mechanism by department/agencies other than it.

1.15 Reporting and Monitoring System

The Concessionaire shall establish online reporting and monitoring system for the vehicle inspections, inspection failure reasons, revenue, penalties, and complaints:

- i. Generating annual and monthly inspection reports for Authority's review (format to be agreed)
- ii. Enabling the Authority a real-time online access 24/7
- iii. The Concessionaire shall make any other information online upon Authority's request pertaining to the vehicle inspections and customer services.

1.16 Validity of inspection report

Vehicle Fitness Certificate (VFC) shall be valid for a period of Six (06) months, due date for next inspection shall be printed on the VFC. Newly manufactured vehicles shall be exempted for a period of 2 years from the date of its first registration with VICS. Registration with VICS will be mandatory for all Public Service Vehicles (PSVs) no matter old or new.

1.17 Levies and Taxes

It shall be the sole responsibility of the Concessionaire to pay all charges relating to the establishment of VICS in Punjab. The Concessionaire shall pay all taxes, levies and duties as per the rules and laws of the Government of Punjab and Pakistan. In addition to the above all the transportation, clearing and customs duties on imported equipments shall be borne by the Concessioner. However in case any indirect taxes such as GST etc. is imposed, the same shall be passed on to the customer by the concessionaire.

1.18 Authority's Responsibilities

- I. Provide land on lease basis for all sites in Punjab.
- II. Procure the services of third party Independent Consultant/ Auditor through competitive bidding process, 50% financed by the GoPb and 50% financed by the Concessionaire.
- III. To process termination of existing vehicle inspection system and transfer immediately rights of inspections to the concessionaire for vehicle inspections.
- IV. To make necessary changes in the Law and MVR rules for the proposed VICS

1.19 The concessionaire shall have a right to claim authority's event of default if compliance rate remains less than 50% for four consecutive years after all stations become operational and due compensation is not paid on yearly basis.

2 Construction Conditions of the Agreement

2.1 Commencement of Construction & Operation Timelines

The Concessionaire shall immediately commence the construction process for both phases upon signing this agreement i.e. Phase I and II. The Concessionaire shall ensure completion of construction works for both phases within the timeline specified in the Section 2.2. Construction work shall be carried-out in accordance to the specifications and schedules provided in Annex A.

2.2 Construction and Operation Deadlines

The Concessionaire shall ensure that Vehicle Inspection stations are fabricated, erected, installed and completed in accordance with the Authority's approved drawings and specifications. It shall be the responsibility of the Concessionaire to develop final design and detailed construction drawings from the preliminary drawings provided in Schedule-I. The concessionaire shall ensure the role of a competent engineer/consultant to process the design and construction drawings for Authority's review and approval.

Construction & Operation Timelines		
Phase No.	Construction Commencement Date	Operation Deadline
Phase I	From Date of Site Possession after award of contract	Within 12 months* from site possession date
Phase II	do	Within 24 months from site possession date
* Failing to comply with the above mentioned deadlines, the Department may impose fines / penalties: The Authority may penalize the Concessionaire for a fixed fine of PKR 50000 per month per station.		

The Concessionaire shall commence the construction work immediately after the award of contract and possession of sites in Lahore (Phase I), the completion and commencement time for Phase I, is 12months from the date of site possession.

The Concessionaire may begin construction work / activities from the date of award of contract for Phase II sites, provided land is acquired by the Authority; ensuring all design and infrastructure activities are in accordance to the required specifications. The completion and operation-commencement time for phase II, is 24 months from the date of award of contract.

The Authority shall ensure the termination of existing vehicle inspection process as soon as the stations are ready to operate and transfer immediately the rights of inspections to the Concessionaire for vehicle inspections. The Authority shall also commence enforcement immediately after the operation of VICS stations. However, the Concessionaire shall launch public awareness campaigns prior to commencement of operation through electronic and print media. The associated cost for advertisement / campaign shall be borne by the Concessionaire.

2.3 Construction Cost, Quality and Risks

2.3.1 The Concessionaire shall complete the construction works at its own cost & risk and achieve the functional date, at each Site, in a manner that is:

- i. in compliance with the Technical Requirements, the Applicable Laws, the Applicable Permits and Good Industry Practice;
- ii. safe and reliable for performance of the Services during the Services Period subject to normal wear and tear and Force Majeure; and
- iii. free from all material defects in design and workmanship

2.3.2 Prior to commencement of the Construction Works, the Developer / Operator shall complete planning and design process for the establishment of VICS stations through a reputed design consultancy and approval from the Authority (Transport Department).

2.3.3 During the Construction Period, the Operator shall take all necessary measures to maintain the safety and security of all goods, materials, and personnel.

2.4 Provision of Utilities

The Concessionaire shall be responsible for procuring all utilities, including electricity, water, telecommunications, sanitation and fuel, as required for the completion of the Construction Works and operations of the VIS. It shall also be the responsibility of the Concessionaire to make alternative power arrangement to meet the scheduled and unscheduled load shedding of electricity and gas.

2.5 Traffic and Environmental Assessments / Requirements

The Concessionaire shall be responsible for undertaking all necessary surveys, explore environmental constraints and perform soil investigations for the sustainability of the proposed structure. It shall be the Concessionaire's responsibility to perform necessary investigations on their own expense for sites provided by the GoPb. If any tests or reports indicate the presence of an unsafe or undesirable condition, the Concessionaire shall either make necessary repairs and/or cleanup of the site, or locate a different site more suitable for intended use. The Concessionaire shall inform the Authority of any such condition or for delays or damages caused by any cleanup, additional testing, or identification of a replacement site.

The Concessionaire shall submit the environmental management plan in relation to the construction, commissioning, operations, maintenance and management of the Facilities at the Site for the approval of the relevant Government Authority, prior to commencement of the construction Works. Once approved by the relevant Government Authority, the draft environmental management plan shall be the "Environmental Management Plan". The Concessionaire shall be responsible for strict compliance with the Environmental Management Plan during the Concession Period.

The consortium who submitted the unsolicited proposal has provided the Traffic and Environmental

impact assessment for the establishment of Vehicle Inspection and Certification System in addition to the assessment of the existing vehicle inspection centers. The Concessionaire shall review and work in accordance to the assessment recommendation and suggestions to reduce the impact on Environment and Traffic. However, if the Concessionaire desires to make improvements to the existing reports the Authority shall have no objection, but a written request may be produced for approval. The soft copies of the reports shall be provided to the Concessionaire upon request.

2.6 Designs Plans and Drawings for Proposed Stations

The minimum requirements drawings as given Annex B-III –V of Schedule I, shall be developed by the Concessionaire in addition to the following list of drawings / plans for the review and approval of Independent Consultant / Auditor:

- a. Environmental Impact Assessment
- b. Traffic Circulation Plans
- c. Survey with boundaries, topography, and terrain features
- d. Exterior elevation plan including building heights, grade, etc.
- e. Interior Plans and Sections of the building
- f. Drainage Plans
- g. Pavement Drawings
- h. Utility Drawings (including Gas, Electric, Sewers, Water, and telecommunication)
- i. Access and Egress Arrangement (Emergency Exit/ Parking)
- j. Any other supplemental drawings, documents, etc.

3 INDEPENDENT CONSULTANT/ AUDITOR / ENGINEER

3.1 Third Party Independent Consultant /Engineer

The Authority shall procure through competitive bidding process the services of the third party independent consultant 50% financed by the Concessionaire and 50% financed by the Authority. The responsibilities of the auditor shall be to review, monitor, and audit the performance of the Concessionaire to achieve project objectives and meet yearly performance targets.

The Independent Consultant/ Auditor shall review the Concessionaire performance time to time and on schedule times against establishment and operation of VICS stations. The Independent consultant / Auditor shall fulfill its duties and obligations throughout the concession period, however the contract agreement with the independent consultant/ engineer shall be initially for a period of five (05) years after which it shall be renewed on annual basis. The contract shall be renewed depending on performance and tasks / services required by the Authority. The Independent Consultant shall also provide engineering services to the Authority during the construction phases of the project.

3.2 Role and Responsibilities of Independent Consultant

- i. Review of construction design and drawings prepared by Concessionaire: The Independent Consultant/ Auditor shall review all design and construction drawings submitted by the Concessionaire for each type of stations. The Independent Consultant/ Auditor shall complete the review process within 14 days.
- ii. Progress Review & Report on Construction Deadlines: The Independent Consultant/ Auditor shall time to time report to the Authority upon Concessionaire performance in relation to the Construction Timelines set by the Authority for the completion of each VIC station.
- iii. Post-Construction Responsibilities: The independent consultant shall ensure validation and certification of all equipment / machinery that is to be installed in the VIC stations in accordance with the Authority's required standards and specifications.
- iv. Equipment Commissioning and Operation of VIS: The independent consultant shall report to the Authority on the equipment / machinery commissioning and operational status. Commissioning shall be executed by guidance of a detailed commissioning procedure set out in the equipment's manuals.
- v. Responsibilities as an Independent Auditor: The independent consultant / Auditor shall report to the Authority on the following matters:
 - a. Report on random inspections / surprise visits for Authority's review
 - b. Submit performance monitoring reports of the VICS stations to the Authority
 - c. Vehicle Inspections Database validation and verification

- d. Report on general issues and customer satisfaction
 - e. Monthly and annual auditing (review of annual Financial Statements / Performance)
 - f. GoPb monthly share calculation and verification based on number of inspections performed
 - g. Production of annual and monthly reports for the Authority
- vi. The Independent Consultant/ Auditor shall be required to act independently, reasonably, fairly and expeditiously in fulfilling its duties and obligations. The Independent Consultant/ Auditor shall at all times during the Concession Period, have the rights to enter upon and access the Site and the VIS.
- vii. The Independent Consultant/ Auditor shall have no authority to instruct the Concessionaire directly. All the instructions to the Concessionaire shall be conveyed in writing through the Authority. The Authority shall have sole right to terminate the agreement / contract at any stage subject to non obligation and poor performance of the Independent Consultant/ Auditor.

4 SUSPENSIONS OF SERVICES AND EMERGENCY

4.1 Suspension for Other Reasons

At any time during the Concession Period, the Concessionaire shall have the right to suspend, whether partially or wholly, the O&M (Operations and Maintenance) and performance of the Inspection(s) in any of the following events or circumstances:

- i. if after assessment, the Concessionaire believes that an Emergency has occurred which has a direct impact on the performance of the PSV Inspection, as it relates to public health, safety and environment;
- ii. if the Concessionaire is required to suspend the performance of the PSV Inspection in compliance with the Applicable Laws or upon the orders of the relevant Government Authorities, provided that such orders are not attributable to the Concessionaire's breach or violation of any Applicable Laws or Applicable Permits; or

The Concessionaire acknowledges that suspension of the performance of the PSV Inspection on account of the events listed above shall:

- i. not entitle the Concessionaire to an extension of the Concession Period
- ii. not amount to a Forced Outage

Upon the occurrence of any of the foregoing events or circumstances, the Concessionaire shall as soon as reasonably possible, and in no event later than 12 (twelve) hours after such occurrence, notify the Authority and the Independent Consultant/ Auditor of such occurrence.

The Concessionaire shall in the notice issued seek the confirmation of the Authority the occurrence of such event or circumstance. If, upon notification, the Authority does not concur with the Concessionaire on the nature of such occurrence, then the Concessionaire shall immediately re-commence the O&M and performance of the PSV Inspections.

4.2 Mitigation, Resumption and Termination

The Concessionaire shall make best endeavors to:

- i. mitigate the effects of any of the events or circumstances listed above;
- ii. mitigate the effects and costs of suspension of O&M and the performance of PSV Inspection; and
- iii. resume the O&M and performance of the Services within 24 (twenty four) hours of the occurrence of any of the events or circumstances making the operation impossible

4.3 Suspension of Services in case of Emergency

Upon the occurrence of an Emergency or otherwise in national interest, the Authority reserves the right to suspend the performance of the Services by the Concessionaire and to step-in and take control over the O&M and the PSVs Inspection on a temporary basis. The Authority may only exercise such right of suspension by issuing a prior written notice of at least 15 (fifteen) Days.

During the suspension of the PSV Inspection by the Concessionaire pursuant to Article above:

- i. The Authority shall be responsible for bearing all costs and expenses in relation to the O&M and the PSV Inspection; and
- ii. The Concessionaire shall not be entitled to receive the in relation to the Inspections performed during such period of suspension.

If the suspension of the performance of the PSV Inspection by the Concessionaire pursuant continues for a period exceeding 180 (one hundred and eighty) Days, then the Concessionaire shall be entitled to terminate this Agreement by giving a notice of at least 30 (thirty) Days.

On termination of this agreement pursuant to situation mentioned above, the Authority shall pay the Termination Compensation to the Concessionaire in accordance with this Agreement. Only for the purpose of determination of the Termination Compensation payable by the Authority, the suspension of the O&M and the performance of PSV Inspection by the Authority shall be treated as an "**Authority Event of Default**".

All the other consequences of termination that are set out herein shall apply.

5 Concessionaire Shareholding

5.1 Shareholding Information

The Concessionaire is owned and controlled by

.....
..... The Concessionaire represents and warrants to the Authority that at the date of execution of the Agreement, the legal shareholding of the Concessionaire and that no arrangements are in place that have or may have or result in any sale, transfer or disposal of any legal, beneficial, equitable or other interest in any or all of the shares of the Concessionaire.

5.2 Changes in Shareholding

The Concessionaire undertakes and covenants that, during the period continuing until six (6) years from the date of the last VIS to be completed, M/S..... shall continue to hold an ownership interest in the company and together shall maintain at least a seventy percent (70%) ownership.

6 CHANGES IN LAW

6.1 Consequences of Qualifying Change in Law

6.1.1 If a Qualifying Change in Law occurs or is shortly to occur, then each Party is obliged to notify the other, expressing its opinion on its likely effects, giving details of its opinion of:

- i. any necessary change in the Construction Works, the O&M or in the PSV Inspections to be performed;
- ii. whether any changes are required to the terms of this Agreement to deal with such Qualifying Change in Law;
- iii. whether relief from compliance with obligations is required, including the obligation of the Concessionaire to achieve any Scheduled functional date and/or to comply with the Performance Standards, on occurrence of any relevant Qualifying Change in Law;
- iv. any increase in costs (other than any additional capital expenditure), loss of net profits after tax or delay that shall result from the Qualifying Change in Law;
- v. any estimated change in the Project Cost that directly results from the Qualifying Change in Law;
- vi. any capital expenditure that is required or no longer required as a result of a Qualifying Change in Law taking effect during the Concession Period,
- vii. in each case giving in full detail the procedure for implementing the change in the Construction Works, the O&M or in performance of the PSV Inspection

6.1.2 As soon as practicable after receipt of any notice from either Party under Article 6.1.1 above, the Parties shall discuss and agree the issues referred therein and any ways in which the Concessionaire and Authority can mitigate the effect of the Qualifying Change in Law, including:

- i. Providing evidence that the Concessionaire has used reasonable endeavors (including, where practicable, the use of competitive quotes) to oblige the Contractors to minimize any increase in costs and maximize any reduction in costs;
- ii. Demonstrating how any capital expenditure to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred or would have been incurred, foreseeable Changes in Law at that time have been taken into account by the Concessionaire;
- iii. Giving evidence as to how the Qualifying Change in Law has affected or shall affect prices charged by similar businesses to the Project, including similar businesses in which the Shareholders or their Associates carry on business;
- iv. Demonstrating to the Authority that the Qualifying Change in Law is the direct cause of the increase in costs and/or loss of net profits after tax or delay and the estimated increase in costs or loss in net profits after tax or delay could not reasonably be expected to be mitigated or recovered by the Concessionaire; and

- v. Demonstrating that any expenditure which was anticipated to be incurred to replace or maintain assets that have been affected by the Qualifying Change in Law has been taken into account.

6.1.3 If the Parties mutually agree or it is determined that the Concessionaire is required to incur additional capital expenditure due to a Qualifying Change in Law, that is in excess of the Threshold Limit, then the Concessionaire shall make best endeavors to obtain funding for such additional capital expenditure on commercially reasonable terms within 90 (ninety) Days.

6.1.4 If the Concessionaire obtains financing for such additional capital expenditure within such 90 (ninety) Day period, then the Concessionaire shall be entitled to an adjustment of the Fixed PSV Inspection Charge for the remaining part of the Concession Period, which adjustment shall be mutually agreed by the Parties.

6.1.5 If the Concessionaire fails to obtain financing for such additional capital expenditure within such 90 (ninety) Day period and the Authority is satisfied that the Concessionaire has made best endeavors to obtain such financing, then the Concessionaire shall be entitled to receive compensation from the Authority for such additional capital expenditure. Such compensation shall be paid as a lump-sum or as a reimbursement of actual and additional capital expenditure incurred, in either case the quantum of such compensation shall be mutually agreed by the Parties.

6.1.6 The Concessionaire shall bear all additional capital expenditure to the extent of the Threshold Limit.

6.1.7 If the Parties have complied with the relevant provisions of this Agreement and the Concessionaire suffers any increase in costs (other than an increase in capital expenditure) or loss in net profits after tax or delay as a result of the occurrence of the Qualifying Change in Law, then:

- (i) in the case of delay, the Concessionaire shall be entitled to proportionate extension of time;
- (ii) in the case of increased cost being incurred or reduction in net profit after tax, the Authority shall compensate the Concessionaire for such increased cost or reduced net profit after tax, either by way of a lump-sum payment or by adjustment to the Fixed PSV Inspection Charges for the unexpired portion of the Concession Period or by any other means that the Parties mutually agree.

6.2 Consequences of Fundamental Change in Law

6.2.1 If a Fundamental Change in Law occurs or is shortly to occur, then each Party is obliged to notify the other expressing its opinion on:

- (i) the likely effects of such Fundamental Change in Law on the validity and enforceability of this Agreement or on the rights and benefits accruing to the Concessionaire; and
- (ii) the ability of the Parties to re-negotiate the terms of this Agreement to mitigate the effects of such Fundamental Change in Law, while adhering to the original commercial and financial position of

the Parties.

6.2.2 As soon as practicable after receipt of any notice from either Party, the Parties shall meet as often as it may be necessary to re-negotiate and agree unenforceable terms to the terms of this Agreement.

6.2.3 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 60 (sixty) Days from the date on which a notice is issued, then either Party shall be entitled to terminate this Agreement by giving a notice of 30 (thirty) Days.

6.2.4 On termination of this Agreement pursuant to Article 6.2.3 above, the Authority shall pay the Termination Compensation to the Concessionaire in accordance with the relevant provisions of this Agreement.

6.2.5 Only for the purpose of determination of the Termination Compensation payable by the Authority, the occurrence of a Fundamental Change in Law shall be treated as an "Authority Event of Default".

6.2.6 All the other consequences of termination that are set out herein shall apply.

6.2.7 The Authority shall ensure that there is no change in the policy and/or rules to carry out the purposes of this Agreement in case of change of Government / political regime and if such change happens, the Authority shall be liable to compensate the Concessionaire vis-à-vis all the cost incurred by it on the project coupled with reasonable profit rate as would have accrued, if there had been no such change in policy/rules based on change of Government / political regime.

7 INDEMNITIES AND INSURANCE

7.1 Indemnity

7.1.1 Subject to Article 7.1.2 below, the Concessionaire shall be responsible for, and release and indemnify the Authority, its employees, agents and contractors on demand from and against, all liability for:

- (i) death or personal injury;
- (ii) loss of or damage to property (including PSVs of private owners under inspection or other property belonging to the Authority or for which the Authority is responsible);
- (iii) non-compliance with Applicable Laws or Applicable Permits; and
- (iv) actions, claims, demands, costs, charges and expenses (including legal expenses on an indemnity basis), which may arise out of, or in consequence of, the Construction Works, the O&M of the Inspection Stations, the performance of the Services and any other performance or non- performance by the Concessionaire of its obligations under this Agreement or the presence of the Authority's representatives at the property of the Concessionaire, the Contractors or sub- contractors or their employees or agents.

7.1.2 Notwithstanding anything herein to the contrary, the Concessionaire shall not be responsible or be obliged to indemnify the Authority for:

- (i) any of the matters which arises as a direct result of the Contractor acting on the instructions of the Authority, or the Independent Consultant/ Auditor;
- (ii) any injury, loss, damage, cost and expense caused by the negligence or willful misconduct of the Authority, the Independent Expert, the Independent Consultant/ Auditor, its employees, agents or contractors or by the breach by the Authority of its obligations under the Agreement.

7.1.3 If however any injury or damage results from the joint or concurrent negligent or intentional acts of the Parties, each Party shall be liable under this indemnification in proportion to its relative degree of fault.

7.1.4 Any indemnity of either Party under any other provision of this Agreement shall be without limitation to any other indemnity by that Party under any other provision of this Agreement.

7.1.5 The Authority 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. If, however, the Concessionaire acknowledges in writing its obligations to indemnify the Authority in respect of Loss to the full extent provided by this Agreement,

the Concessionaire shall be entitled, at its option, to assume and control the defense of such claim, action, suit or proceeding at its expense and through counsel of its choice if it gives prompt notice of its intention to do so to the Authority and reimburses the Authority for the reasonable costs and expenses incurred by the Authority prior to the assumption by the Concessionaire of such defense. Either Party shall settle or compromise any such claim, action, and suit or proceeding without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Authority shall have the right to employ its own counsel and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of the Authority, as and when incurred.

7.2 Insurance

7.2.1 The Concessionaire shall, obtain and maintain from and after Financial Close and throughout the Concession Period the policies of insurance set forth below in the minimum coverage amounts set forth therein and during the periods mentioned therein; provided, however, that such minimum amounts may be changed from time to time with the written consent of the Authority, which consent may not be unreasonably withheld. The Concessionaire shall obtain any additional coverage required by the Applicable Laws and/or deemed necessary by the Concessionaire.

7.2.2 The Concessionaire shall purchase insurance in accordance with the Applicable Laws, from appropriate, reputable Pakistani and/or international companies licensed to operate in Pakistan, at competitive terms.

7.2.3 During the Construction Period, the Concessionaire shall obtain the following insurance policies and on the following minimum terms:

- (i) **Marine and Air Cargo Insurance:** Coverage shall insure all materials, equipment machinery, spares and other items for incorporation into the Inspection Stations against all risks of physical loss or damage while in transit by sea or air from country of origin anywhere in the world to the Site, or vice versa, from the time of the insured items leaving warehouse or factory for shipment to the Site.
- (ii) **Loss of Revenue (following Marine or Aviation incident):** Coverage shall insure against loss of revenue following delay in achieving the Scheduled functional date as a direct result of physical loss or damage to the materials, equipment, machinery and other items in transit by sea or air to the Site to the extent not covered under the Marine Cargo insurance.
- (iii) **Builders' All Risk:** Coverage shall insure all Construction Works executed and in the course of execution, materials and temporary works, while on the Site, against all risks of physical loss or damage other than war and kindred risks, nuclear risks, unexplained shortage, cost of replacing or repairing items which are defective in workmanship, material or design; penalties; consequential losses; cash; PSVs; vessels; aircraft. Coverage shall be on a full replacement cost basis.
- (iv) **Loss of Revenue (following All Risk):** Coverage shall insure against loss of revenue following delay in achieving the Scheduled functional date as a direct result of physical loss of or damage to the works to the extent that such loss or damage is covered under the Builders' All Risk insurance.
- (v) **Commercial/General Liability:** Coverage shall insure against legal liability to third Persons for

bodily injury or damage to property arising out of the Construction Works.

- (vi) **Miscellaneous:** Other insurance as is customary, desirable or necessary to comply with local or other requirements, such as contractual insuring responsibility, Workers' Compensation and Employers' Liability insurance in relation to all workmen employed for the Construction Works, and motor PSV liability insurance for all PSVs owned, hired, leased, used or borrowed for use in Pakistan in connection with the Project.

7.2.4 During the Concession Period, the Concessionaire shall obtain the following insurance policies and on the following minimum terms:

- (i) **All Risks Insurance:** Coverage shall include all building contents, machinery, stock, fixtures, fittings and all other personal property forming part of the Inspection Station against "All Risks" of physical loss or damage, including (but not limited to) those resulting from fire, lightning, explosion, spontaneous combustion, storm, wind, tempest, flood, hurricane, water damage, riot, strikes, malicious damage, sabotage, earthquake, tsunami and/or collapse or loss. Coverage shall be in an amount equal to the full replacement value of the Inspection Station(s).
- (ii) **Consequential Loss Following All Risks:** Coverage shall insure against loss of revenue due to loss of Availability as a direct consequence of loss of or damage to the Facilities and caused by a peril insured under All Risks Insurance.
- (iii) **Machinery Breakdown:** Coverage shall insure against all machinery, plant and ancillary equipment forming part of the Inspection Stations against sudden and unforeseen physical loss or damage resulting from mechanical and electrical breakdown or derangement, explosion or collapse, electrical short circuits, vibration, abnormal stresses, failure of protective or regulating devices, overheating, entry of foreign bodies, impact, collision and other similar causes.
- (iv) **Consequential Loss Following Machinery Breakdown:** Coverage shall insure against loss of revenue due to loss of capacity and/or loss of output as a direct consequence of loss or damage to the Facility caused by a peril insured under Machinery Breakdown insurance.
- (v) **PSV Insurance:** Coverage shall insure against any Loss of PSV under inspection at any Inspection Station, including Losses caused by pilferage, theft, robbery, damage or destruction.
- (vi) **Commercial/General Liability:** Coverage shall insure against legal liability to third parties for bodily injury or damage to property arising out of the operation of the Inspection Station.
- (vii) **Workers Compensation and Employers Liability:** This coverage shall include workers compensation, temporary disability and other similar insurance required by the Applicable Laws. In addition, this coverage shall include a voluntary compensation and employers' liability endorsement for employees not subject to the workers compensation laws.
- (viii) **Miscellaneous:** Other insurance policies which are required by the Applicable Laws

7.2.5 Each insurance policy (other than the Workers Compensation and Employers liability insurance) shall contain the following endorsements:

- (i) the Authority, its relevant officers and employees shall be additionally insured under all policies maintained by the Concessionaire;
- (ii) the insurance shall be primary with respect to the interest of the Authority, its relevant officers, and

employees and any other insurance maintained by them is excess and not contributory with such policies,

(iii) the insurance shall contain a cross liability clause;

(iv) the insurers shall waive all rights of subrogation against the Authority, its relevant officers and employees; and

(v) the policy may not be cancelled or materially changed by the insurer without giving 45 (forty five) Days prior written notice, except in the case of non- payment, in which case it shall be 10 (ten) Days prior written notice to the Authority.

Each policy shall state that the Authority shall not be responsible for payment of any insurance premiums.

7.2.6 Any material changes in the insurances shall need the prior written consent of the Authority, which consent shall not be unreasonably withheld.

7.2.7 All insurance proceeds received following a partial or total loss shall be used in replacement or reinstatement of the Inspection Stations unless such loss occurs in the final two (2) years of the applicable Concession Period.

7.2.8 The Concessionaire shall provide the Authority with certificates of insurance evidencing the policies and endorsements listed above. Failure by the Concessionaire to obtain the insurance coverage or certificates of insurance required by this Article shall not relieve the Concessionaire of the insurance requirements set forth herein or in any way relieve or limit the Concessionaire's obligations and liabilities under any other provision of this Agreement. If the Concessionaire fails to procure or maintain any insurance required pursuant to this part, the Authority shall have the right to procure such insurance in accordance with the requirements of this part and charge the full cost thereof to the Concessionaire.

8 FORCE MAJEURE

8.1 Force Majeure Event

8.1.1 A "Force Majeure Event" means any act, event or circumstance or a combination of acts, events or circumstances or the consequence(s) thereof, which is/are:

- (i) beyond the reasonable control of any Party (the "**Affected Party**");
- (ii) such that the Affected Party has been unable to overcome or prevent despite exercise of due care and diligence; and
- (iii) such that it/they has/have a Material Adverse Effect on the Project.

8.1.2 A Force Majeure Event includes the following events and circumstances.

8.1.2.1 Non-Political Force Majeure Events:

- (i) Acts of God including storm, tempest, cyclone, hurricane, tsunami, flood, whirlwind, lightning, earthquake, washout, landslide, soil erosion, volcanic eruption, or extreme adverse weather or environmental conditions or actions of the elements, affecting the Construction Works, the O&M of the Inspection Station or the performance of the Services, but does not include drought or famine;
- (ii) fire or explosion caused by reasons not attributable to the Concessionaire or any of the employees or agents of the Concessionaire, chemical or radioactive contamination or ionising radiation;
- (iii) epidemic, plague or quarantine; or
- (iv) accidents of navigation, air crash, shipwreck, train wreck or other failures or delays of transportation.

8.1.2.2 Non-Political Force Majeure Event shall expressly not include the following conditions, except to the extent resulting from a Non-Political Force Majeure Event:

- (i) unavailability, late delivery or changes in cost of plant, machinery, equipment, materials, spare parts for the Inspection Station(s);
- (ii) a delay in the performance of any Contractor under an EPC Contract;
- (iii) non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
- (iv) non-performance caused by the non-performing Party's (i) negligent or intentional acts, errors or omissions, (ii) failure to comply with the Applicable Laws or Applicable Permits, or (iii) breach of, or default under, this Agreement, as the case may be; or
- (v) mechanical or electrical breakdown or failure of the Inspection Station(s) or machinery or plant

owned or operated by the Concessionaire.

8.1.2.3 Political Force Majeure Events:

- (i) hostilities (whether declared as war or not), riot, civil disturbance, revolution, rebellion, insurrection, act of terrorism, in each case involving the GoP or the GoPb or occurring in Pakistan; or
- (ii) invasion, armed conflict, coup d'état, act of foreign enemy, blockade, embargo, revolution, insurgency, nuclear blast/ explosion, politically motivated sabotage, religious strife or civil commotion, in each case involving the GoP or the GoPb or occurring in Pakistan; or
- (iii) strikes, lockout, boycotts or other industrial disputes which are not directly attributable to the actions of the Affected Party; or
- (iv) except to the extent that they constitute remedies or sanctions lawfully exercised by the Authority as a result of any breach of any Applicable Laws or the Applicable Permits by the Concessionaire, its Contractors, servants or agents or in the case of a national emergency, any action of the Authority whether by positive act, omission or otherwise or other exercise of a sovereign or executive prerogative by the Authority or any Government Authority that results in expropriation, creeping expropriation, nationalisation or compulsory acquisition of any property, revenues, assets or rights (present or future, actual or contingent) of the Concessionaire or of the equity share capital held by the Shareholders of the Concessionaire, and acts claimed to be justified by executive necessity, pursuant to which or as a result of which the Concessionaire or its Shareholders are deprived (wholly or in part) of their direct or indirect rights or entitlements under this Agreement; or
- (v) Any other Force Majeure Event that is not a Non-Political Force Majeure Event.

8.1.3 Without prejudice to the provisions of Articles above, any act, event or circumstance which primarily affects any of the Concessionaire's Contractors, sub-contractors, employees or agents which prevents, impedes or delays the Concessionaire in the performance of its obligations, shall constitute a Force Majeure Event hereunder as to the Concessionaire as appropriate if and to the extent that it is of a kind or character that, if it had directly affected the Concessionaire, would have come within the definition of Force Majeure Event within this Article 8.1.

8.1.4 If the Parties are unable to agree in good faith on the occurrence or existence of a Force Majeure Event, such dispute shall be finally settled in accordance with the Dispute resolution procedure set forth herein, provided however 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.

8.2 Notice of Force Majeure Event

8.2.1 The Affected Party shall give notice to the other Party in writing of the occurrence of any of the Force Majeure Event (the "**FM Notice**"), as soon as the same arises or as soon as reasonably practicable and in any event within 10 (ten) Days after the Affected Party knew of its occurrence, the adverse effect it

has or is likely to have on the performance of its obligations under this Agreement, the actions being taken and an estimate of the period of time required to overcome the Force Majeure Event and/or its nature and effects (if it is possible to estimate the same).

8.2.2 If, following the issue of the FM Notice, the Affected Party receives or becomes aware of any further information relating to the Force Majeure Event, it shall submit such further information to the other Party as soon as reasonably practicable.

8.2.3 Any party claiming to have been affected by a Force Majeure Event shall not be entitled to any relief unless it has complied with all the provisions of this part

8.3 Performance Excused

8.3.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under this Agreement as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 90 (Ninety) Days for a Non-Political Force Majeure Event and 120 (One Hundred and Twenty) Days for a Political Force Majeure Event from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period of excuse from performance, in the event that a Non-Political Force Majeure Event has occurred. Provided that:

- (i) the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event;
- (ii) nothing contained herein shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.
- (iii) nothing contained herein shall absolve the Affected Party from any payment obligations in the event of termination under Part 11(Compensation on Termination).

8.4 No Liability for Other Losses

8.4.1 Save and except as expressly provided in this Agreement, neither Party shall be liable in any manner whatsoever to the other Party in respect of any Loss relating to or arising out of the occurrence or existence of any Force Majeure Event or the exercise by it of any right pursuant to this part.

8.4.2 If a Political Force Majeure Event occurs, then the Authority shall compensate the Concessionaire for any reasonable and proper costs directly incurred as a result of such Political Force Majeure Event after deducting the proceeds of insurance received.

This obligation to compensate shall continue only for the period that the Political Force Majeure Event subsists, provided that this obligation shall not exceed 90 (Ninety) Days from the date of issuance of the FM Notice.

8.5 Resumption of Performance

8.5.1 During the period that a Force Majeure Event is subsisting, the Affected Party shall in consultation with the other Party, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under this Agreement. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify the other Party of the same in writing. The other Party shall afford all reasonable assistance to the Affected Party in this regard.

8.6 Termination Due to Force Majeure Event

8.6.1 If, prior to the completion of the 90 (Ninety) Days period (or any extended period) commencing from the date of issuance of the FM Notice, the Parties are of the reasonable view that:

- (i) a Non-Political Force Majeure Event is likely to continue beyond such 90 (Ninety) Day period or any extended period agreed ; or
- (ii) that it is uneconomic or impractical to restore the affected Project;

then the Parties may mutually decide to terminate this Agreement, which termination shall take effect from the date on which such decision is taken.

8.6.2 Without prejudice to the provisions of Article 8.6.1 above, the Affected Party shall, after the expiry of the period of 90 (Ninety) Days after the notification of a Non-Political Force Majeure Event or any other mutually extended period, be entitled to forthwith terminate this Agreement in its sole discretion by issuing a notice to that effect.

On termination of this Agreement pursuant to this Article 8.6.2, the consequences of termination that are set out in this Agreement shall apply.

8.6.3 In the event of a termination of this Agreement as a result of a Non-Political Force Majeure Event in accordance with the provisions of Article 8.6.2, the Parties agree that the Concessionaire shall not be entitled to the payment of any Termination Compensation provided however that the Concessionaire shall be entitled to retain any or all proceeds received under any insurance policies maintained by it in relation to the Project.

8.6.4 Upon occurrence of a Political Force Majeure Event, the Concessionaire shall, at its discretion, have the right to terminate this Agreement forthwith after the completion of the period of 120 (one hundred and twenty) Days from the date of the FM Notice.

Upon notice of termination being issued by the Concessionaire under this Article 8.6.4, the Authority shall pay the Termination Compensation to the Concessionaire. Only for the purpose of determination of the Termination Compensation payable by the Authority, a Political Force Majeure Event that results in a termination pursuant to this Article 8.6.4 shall be treated as an "**Authority Event of Default**".

All the other consequences of termination that are set out in this Agreement shall apply.

8.6.5 Notwithstanding anything to the contrary elsewhere in this Agreement, the Concessionaire shall be entitled to sell, assign, create Security over or otherwise dispose of (or have the land and station

disposed of on its behalf) any or all of the land and improvements forming the Inspection Station, following termination due to a Force Majeure Event and utilize the proceeds from such disposal (including any transfer or assignment fee or any funds received by the Authority from the re-tendering process) towards any purpose the Concessionaire sees fit. The Authority shall provide reasonable assistance to Concessionaire in completing the transfer of the land and the stations to a third party.

- 1.7 The Authority shall be duty bound to properly and efficiently manage any disruption in the working of the Concessionaire due to strike and/or boycott of the Transporters or a group of Transporters with all the legal force and remedies available under the law without any compromise vis-à-vis inspection of the PSVs as agreed under this Agreement. However, if the Authority remains unable to deal with such like situation with all the available legal force/remedies, it shall compensate the Concessionaire vis-à-vis all the cost incurred by it on the project coupled with reasonable profit rate as would have accrued, if there would not have been any such disruption due to strike and/or boycott of the Transporters or a considerable group of Transporters.

9 EVENTS OF DEFAULT

9.1 "**Event of Default**" means a Concessionaire Event of Default or an Authority Event of Default or both as the context may admit or require.

9.2 The Concessionaire Event of Default

9.2.1 "**Concessionaire 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 consequence of any Authority Event of Default, a Qualifying Change in Law, a Fundamental Change in Law (define in definitions) or a Force Majeure Event and where the Concessionaire has failed to remedy the defects specified in the Remedial Action Notice:

- (i) any abandonment by the Concessionaire which shall mean a total cessation of the Construction Works or the performance of the Services or other obligations of the Concessionaire for a continuous period of 90 (ninety) Days, other than as a result of a Force Majeure Event, a Qualifying Change in Law, a Fundamental Change in Law or a suspension in accordance with this Agreement;
- (ii) failure of the Concessionaire to commence the Construction Works within the time stipulated herein;
- (iii) failure of the Concessionaire to complete the construction of a given Inspection Station within the Grace Period allowed after the Scheduled date of becoming functional;
- (iv) failure of the Concessionaire to complete the delay List Items successfully within the aggregate 90 (ninety) Day period;
- (v) failure of the Concessionaire to complete the Tests successfully within the Grace Period allowed after the Scheduled functional date for a given Facility.
- (vi) the breach by the Concessionaire of its obligations under this Agreement which materially and adversely affects the performance of the Services;
- (vii) any material representation made or warranties given by the Concessionaire under this Agreement being found to be false or misleading;
- (viii) failure of the Concessionaire to obtain and maintain a valid Performance Security.
- (ix) A Material Breach of the Concessionaire's obligations under this Agreement.
- (x) 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 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; or the breach of the Concessionaire's obligations under any of the Project Agreements.

9.3 Authority Event of Default

9.3.1 "**Authority Event of Default**" means any events, as a result of failure of the Authority to act in accordance with the provisions of this Agreement, unless such an event has occurred as a consequence of the Concessionaire Event of Default, a Qualifying Change in Law, a Fundamental Change in Law or a Non-Political Force Majeure Event and where the Authority has failed to remedy the defects specified in the Remedial Action Notice. The Wilful Default by the Authority of its obligations under this Agreement which substantially frustrates or renders it impossible for the Concessionaire to perform its obligations under this Agreement for a continuous period of 90 (ninety) Days;

10 REMEDY OF DEFAULTS AND TERMINATION PROCEDURE

10.1 Performance of Obligations

10.1.1 Without prejudice to the other provisions of this Agreement, if at any time either Party reasonably considers that the other Party has failed to perform any of its obligations under this Agreement and that failure is capable of remedy, then either the Authority or the Concessionaire as the case may be, may serve a notice on the other party (a "Remedial Action Notice") requiring such other Party (at its own cost) to remedy that failure (and any damage resulting from that failure) within a reasonable period provided that such reasonable period shall not be less than ten days (the "Remedial Period").

10.1.2 If the Party, on whom a Remedial Action Notice is served, fails to remedy the Event of Default within the Remedial Period following service of a Remedial Action Notice, the non-defaulting Party may initiate termination of this Agreement by delivering a notice to the defaulting Party stating its intention to terminate this Agreement ("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.

10.1.3 If the Remedial Action Notice is served on the Concessionaire, who fails to remedy the failure within the Remedial Period following service of a Remedial Action Notice, then the Authority may (without prejudice to any right or remedy available to it) itself take such steps as are reasonably necessary to remedy that failure, or engage others (who will be others) to take those steps and the Concessionaire shall indemnify the Authority from all losses, costs, liabilities or expenses incurred or claimed against the Authority in taking that action.

10.2 Consequences of Default

10.2.1 Event of Default Remedy Period

(i) Following the service of the Notice of Intent to Terminate, the defaulting Party shall have a period of not less than 60 (sixty) Days ("**EoD Remedy Period**") to cure the Event of Default.

(ii) During the EoD Remedy Period, the defaulting Party may continue to undertake efforts to cure the Event of Default, and the innocent Party shall not, by any act or omission, impede or otherwise interfere with the defaulting Party's endeavours to remedy the Event of Default.

(iii) 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 object, as far as possible, of ensuring continued availability of the Project and the continued performance of the Inspection Services, failing which the Party in breach shall be liable to compensate the other Party for any loss or damage occasioned or suffered on account of breach of conditions of this Agreement.

10.2.2 Withdrawal of Notice of Intent to Terminate

(i) If, during the EoD Remedy Period, the defaulting Party rectifies or remedies the Event of Default to the satisfaction of the innocent Party or the innocent Party is satisfied with steps taken or proposed to be taken by the defaulting Party or the Event of Default has ceased to exist, the innocent Party shall withdraw the Notice of Intent to Terminate in writing.

(ii) 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 Party, then the innocent Party shall be entitled to issue the Termination Notice to the defaulting Party, whereupon this Agreement shall terminate forthwith. (either define it or attached sample) prefer is to attach sample of notice

10.3 Concessionaire Event of Default

10.3.1 Re-tendering of the Project

(i) If a Concessionaire Event of Default remains un-remedied at the expiry of the EoD Remedy Period, or immediately upon the Authority notifying to the Concessionaire a breach, the Authority shall be entitled to retender the Project. The Authority shall promptly notify its decision to the Concessionaire.

(ii) If the Authority elects to retender the Project, then the objective of such tender shall be to establish and pay to the Concessionaire the highest compliant tender price, which shall be determined after taking into account: (a) the market value of assets created by the Concessionaire; (b) the condition of assets being transferred; (c) any liabilities of the Concessionaire to the Authority or other third Persons; and (d) the costs of retendering incurred by the Authority and the highest compliant tenderer.

(iii) The retendering procedure shall be completed as soon as reasonably possible. If the retendering procedure remains incomplete within 210 (two hundred and ten) Days from the date on which the Authority has notified the Concessionaire in accordance with paragraph (i) above, then the Authority shall abandon the retendering process.

(iv) The Concessionaire shall continue to fulfil its obligations under this Agreement and perform the Inspection Services after the expiry of the Hold Period and until the expiry of the 210 (two hundred and ten) Day period set out at paragraph (iii) above.

(v) Upon the successful completion of the retendering process, the Concessionaire shall assign and novate all of its rights, obligations and liabilities under this Agreement and the other Project Agreements and transfer all of the assets relating to the Inspection Stations to the successful bidder, against payment of the highest compliant tender price. The Concessionaire shall not be entitled to receive any other amounts from the Authority for such assignment, novation and transfer.

(vi) Retendering may be of all the operational Inspection Station(s) collectively or individually, as per decision of the Authority in this regard.(can VIS station retender individual is it possible while you are going to award it single party so either give it full project or take back full project)

10.3.2 No or unsuccessful retendering

10.3.2.1 If the Authority chooses not to retender the Project or if the re-tendering process is unsuccessful or incomplete at the end of the 210 (two hundred and ten) Day period, the Authority shall have the right to terminate the Agreement forthwith by issuing the Termination Notice to the Concessionaire. On such termination, the Authority shall be liable to pay the Termination Compensation and shall be entitled to

invoke the Performance Security, if valid.

10.4 Accrued Rights and Liabilities

10.4.1 Notwithstanding anything to the contrary contained in this Agreement, any termination of the 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, provided that the limitations on amounts of damages and the types of damages available shall still apply. All accrued rights and obligations of either Party under this Agreement, including without limitation, all rights and obligations with respect to Termination Compensation, shall survive the termination of this Agreement, to the extent such survival is necessary for giving effect to such rights and obligations.

10.4.2 Nothing in this Article shall prevent or restrict the right of the Authority or the Concessionaire to seek injunctive relief or a decree of specific performance or other discretionary remedies of the court.

10.5 Consequences of Termination

10.5.1 Upon the termination of this Agreement, the Concessionaire shall forthwith upon receipt or issuance of the Termination Notice, as the case may be, take all necessary steps to cease performing the Inspection Services under this Agreement in an orderly and prompt manner.

10.5.2 Upon the issuance or receipt of the Termination Notice, as the case may be, the Concessionaire shall deliver to the Authority all of the PSV inspection stations in the Concessionaire's custody, possession or control. If the Concessionaire fails to do so forthwith in a reasonable time, the Authority shall have the right to enter the Site and take possession and custody of all of the Inspection Stations, provided that Concessionaire shall retain the right to any Termination Compensation as provided in this agreement.

11 COMPENSATION ON TERMINATION

11.1 Termination Compensation

11.1.1 In case of Concessionaire's Event of Default

Upon termination of this Agreement on account of a Concessionaire Event of Default, the Authority shall pay to the Concessionaire the present market value of the **equipment only** installed at the inspection stations as on the date of termination of the Agreement as certified by the Independent Consultant/ Auditor, less any amounts due to the Authority from the Concessionaire

11.1.2 In case of Authority's Event of Default, Political Force Majeure Event or Fundamental Change in Law the Termination Compensation payable by the Authority to the Concessionaire the market value of the Inspection Stations building and equipment only

11.1.3 The Termination Compensation pursuant to this Agreement shall become due and payable to the Concessionaire by the Authority within 30 (thirty) days of a demand being made by the Concessionaire with the necessary particulars duly certified by the Independent Consultant/ Auditor, provided that the Concessionaire shall only be entitled to make a demand for payment of the Termination Compensation after:

(i) in the case of termination for a Political Force Majeure Event or an Authority Event of Default, the issuance of a Termination Notice; and

11.1.4 In the case of termination for a Concessionaire Event of Default, the expiration of the 210 (two hundred and ten) Day period

11.1.5 If, for any reasons other than those attributable to the Concessionaire, the Authority fails to pay the Termination Compensation on the date due, the Authority shall be liable to pay default late fees and interest on the Termination Compensation at the rate of 1 Year KIBOR + upto 3% p.a.

11.2 Full and Final Settlement

Notwithstanding anything to the contrary elsewhere in this Agreement, any Termination Compensation determined pursuant to this Article shall, once paid, be in full and final settlement of any claim, demand and/or proceedings of the Concessionaire against the Authority, in relation to any termination of this Agreement and the Concessionaire shall be excluded from all other rights and remedies in respect of such termination.

12 DISPUTE RESOLUTION

12.1 Amicable Settlement

12.1.1 If any dispute or difference or claims of any kind arises between the Authority and the Concessionaire in connection with 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 (i.e. the "**Dispute**"), then the Parties shall meet together promptly, at the request of any Party, in an effort to resolve such Dispute by discussion between them.

12.1.2 The senior representatives of both Parties shall meet to resolve such Dispute. The representatives shall meet as and when necessary from time to time and attempt in good faith and use their best endeavors at all times to resolve the Dispute and produce written terms of settlement. The meetings of the representatives shall be conducted in English.

12.1.3 In the event that the Dispute is not resolved by discussion between them, as evidenced by the signing of the written terms, within 30 (thirty) Days of raising such Dispute, the Dispute shall be resolved by mediation

12.2 Dispute Settlement by Mediation

12.2.1 If the Parties are unable to reach an amicable settlement of the Dispute within 30 (thirty) Days of raising such Dispute, either Party may ask for the matter to be referred for mediation to an independent and impartial Expert appointed by the PPP Steering Committee (the "**Mediator**").

12.2.2 Each Party may suggest to the PPP Steering Committee the identity of appropriate Expert with the required specialist knowledge and relevant experience to be appointed as Mediator. The costs of the Mediator and associated expenses shall be shared equally between the Parties.

12.2.3 In the event that the Dispute is not resolved by the Mediator, as evidenced by the signing of the written terms, within 60 (sixty) Days of the referring of the Dispute to the Mediator, the Dispute shall be resolved by arbitration.

12.3 Dispute Settlement by Arbitration

12.3.1 Appointment of Arbitrator and Rules governing Arbitration

12.3.1.1 The Parties acknowledge and agree that this Agreement constitutes a commercial transaction.

12.3.1.2 Failing settlement of the Dispute by Mediator, if each of the Parties unconditionally and irrevocably agrees:

(i) to the submission of such Dispute to binding arbitration governed by the Arbitration Act of Pakistan, by appointment of three arbitrators, one to be appointed by the Authority, one to be appointed by the

Concessionaire and one to be appointed jointly by the two arbitrators appointed by the Authority and the Concessionaire ("**Arbitrators**"). Any arbitration proceedings commenced pursuant to this Article shall be referred to as the Arbitration ("**Arbitration**");

(ii) 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

(iii) to accept the Arbitral Award rendered by the Arbitrator and any judgment entered thereon by a court of competent jurisdiction for making it a rule of the court 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.

12.3.2 Place of Arbitration: The place of the Arbitration shall be [Lahore, Pakistan].

12.3.3 English Language: 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, English shall be the language to be used in the hearings.

12.3.4 Enforcement of the Arbitral Award

12.3.4.1 Any decision or award resulting from the Arbitration ("Award") shall be final and binding upon the Parties.

12.3.4.2 The Parties hereto, hereby waive, to the extent permitted by Applicable Law, any rights to appeal or to review of such Award by any court or tribunal. The Parties hereto, agree that an 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.

12.3.5 Fees and Expenses: The fees and expenses of the Arbitrator and all other expenses of the Arbitration shall be borne and paid by 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.

12.3.6 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. The Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the Award in any arbitration proceedings hereunder.

12.4 Survival

The provisions of this part 12 shall survive the termination of this Agreement for any reason whatsoever.

12.5 Disputes between Concessionaire and PSV owners

The Authority shall ensure that all the disputes between the PSV owners and the Concessionaire shall be dealt with by the Consumer Court at the concerned Divisional Headquarter under the Consumer Courts

Act.

13 REPRESENTATIONS AND WARRANTIES

13.1 Mutual Representations and Warranties

Each Party represents and warrants to the other Party that:

- (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation/establishment;
- (ii) it has full power and Authority to execute, deliver and perform its obligations under this Agreement and the other Project Agreements;
- (iii) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement and the other Project Agreements; and
- (iv) 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.

13.2 Concessionaire's Representations and Warranties

The Concessionaire represents and warrants to the Authority that:

- (i) it has the financial standing and capacity to undertake the Project in accordance with the terms of this Agreement;
- (ii) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof, and its obligations under this Agreement shall be legally valid, binding and enforceable obligations against it in accordance with the terms hereof;
- (iii) it is subject to the laws of Pakistan, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising there under including any obligation, liability or responsibility hereunder;
- (iv) the execution, delivery and performance of this Agreement shall not conflict with, result in the breach of, constitute a default under any of the terms of its Memorandum and Articles of Association [or those of any member of the Consortium] 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;
- (v) it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of the GoP or the GoPb which may result in any material adverse effect on its ability to perform its obligations under this Agreement and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;
- (vi) it has complied with 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 Agreements.

However, the Authority shall be bound to make requisite amendments in the Motor PSV Rules before the functional date of first Inspection Station.

- (vii) no representation or warranty by it contained herein or in any other document furnished by it to the

Authority or to the GoP or the GoPb in relation to Applicable Permits contains or shall contain any untrue or misleading statement of material fact or omits or shall omit to state a material fact necessary to make such representation or warranty; and

(viii) it is a sole purpose corporate entity and the business it is allowed to transact is restricted to that which is necessary and expedient for the proper performance of all of its obligations under this Agreement.

13.3 Authority's Representations and Warranties

The Authority represents and warrants to the Concessionaire that:

- (i) it has the financial standing and capacity to perform its obligations under the Agreement;
- (ii) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- (iii) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of the GoP or the GoPb which may result in any material adverse effect on the Authority's ability to perform its obligations under this Agreement; and
- (iv) it has complied with Applicable Laws in all material respects;

13.4 Acknowledgement

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 hereunder.

14 MISCELLANEOUS PROVISIONS

14.1 Survival of Obligations

Any cause or action which may have occurred 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 the Agreement by efflux of time or otherwise in accordance with the provisions of this Agreement, shall survive the expiry of the Agreement.

14.2 Entire Agreement

The Parties hereto acknowledge, confirm and undertake that this Agreement 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.

14.3 Articles to Survive Termination

The provisions of this Agreement, to the fullest extent necessary to give effect thereto, survive the term of the 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.

14.4 Non-exhaustive Remedies

14.4.1 Save and except as provided in this Agreement, the remedies available to the Concessionaire under this Agreement are not exhaustive and the Concessionaire and third Persons shall be entitled to all other rights and remedies and to take all actions in law and in equity in addition to the remedies provided for herein.

14.4.2 Save and except as provided in this Agreement, the exercise of any rights by either Party under this Agreement, shall not preclude such Party from availing any other rights or remedies that may be available to it under this Agreement or under the other Project Agreements. All remedies available to the Parties shall be cumulative and the exercise or failure thereof of one or more remedies by any Party shall not limit or preclude the exercise of or constitute a waiver of any other remedies by such Party.

14.5 Notices

14.5.1 Any notice or request in reference to this Agreement shall be written in English language and shall be sent by registered post and shall be directed to the other Party at the address mentioned below:

Authority:

Attention:

Address

Tel:

Fax:

Email:

Concessionaire:
Attention:
Address:
Fax:
Email:

14.5.2 Any notice or demand served by registered post shall be deemed to be duly served 48 hours after posting and in proving service of the same it shall be sufficient to prove that such letter was sent by Registered Post, addressed and placed in the Post.

14.5.3 Each Party may change the above address by prior written notice to the other Party.

14.6 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Pakistan.

14.7 Counterparts

This Agreement may be executed in two counterparts, each of which, when executed and delivered, shall be an original, and both counterparts together shall constitute one and the same instrument.

14.8 Language

14.8.1 The formal text of this Agreement and the Project Agreements shall be in the English language.

14.8.2 All notices and communications between the Authority, the Concessionaire and the Independent Consultant/ Auditor, required under this Agreement shall be drawn up in English and all arbitration proceedings undertaken pursuant to this Agreement shall be conducted in English.

14.9 Confidentiality

14.9.1 No recipient Party shall, without the prior written consent of the disclosing Party, at any time divulge or disclose or suffer or permit its representatives to divulge or disclose to any person or use for any purpose unconnected with the Project any Confidential Information during the Concession Period and for a period of five years after the expiry or termination of this Agreement, except to its representatives officers, directors, advisors, employers, agents and Affiliates who have a legitimate need to know the Confidential Information in order to perform their duties relating to the Agreement.

14.9.2 The Article 14.9.1 shall not apply to Confidential Information:

- (i) at the time of disclosure or thereafter has become part of public knowledge or literature without a breach of this Agreement;
- (ii) is already in the possession of the Party receiving such Confidential Information before it was

received from any other Party and which was not obtained under any obligation of confidentiality from the party which disclosed such information;

- (iii) was obtained from a third party (other than one disclosing it on behalf of a party) who was free to divulge the same and who was not under any obligation of confidentiality in relation to such Confidential Information to party, which disclosed the information;
- (iv) is disclosed by the Concessionaire to any actual or *bona fide* potential Shareholders, investors or bankers (and their professional advisers) of the Concessionaire;
- (v) is required to be disclosed pursuant to any legal and mandatory requirement of any court, legislative or administrative body or any Government Authority, or the rules of any applicable stock exchange;
- (vi) is disclosed by the Concessionaire to its Affiliates or the permitted assignees and transferees of the same;
- (vii) is disclosed by the Concessionaire to any Contractor, sub contractor or supplier of goods and services of or to the Concessionaire;
- (viii) is disclosed to actual prospective insurers, re-insurers and insurance brokers;
- (ix) is disclosed to any professional advisors or consultants of any persons to whom a party is entitled to disclose Confidential Information under this Article;
- (x) is disclosed to any Person in connection with the dispute resolution provisions hereunder;
- (xi) is independently developed by the receiving Party without reliance on the Confidential Information disclosed by the disclosing Party; or
- (xii) is disclosed to any Government Authority or any other body in any relevant jurisdiction in connection with the obtaining of renewal of any approval, licence, permit or consent required hereunder or for the Project.

Provided that the Party making a disclosure of Confidential Information excluded above shall insure that any person to which it makes such disclosure undertakes to hold such Confidential Information subject to similar obligations.

14.9.3 A party making a disclosure of Confidential Information

- (i) at the time of making such disclosure, shall inform its representatives and Affiliates of their obligation of confidentiality pursuant to this Agreement and ensure their compliance; and
- (ii) be liable for any breach of such obligations by such representatives and Affiliates.

14.9.4 In the event that a party is required or requested to make a disclosure of Confidential Information, such party shall prior to such disclosure (to the extent permissible by Applicable Law) use its best efforts to promptly notify the disclosing Party or its Affiliate so that appropriate protection order and/or other action can be taken if possible. In the absence of such a protection order restricting disclosure, the party required to make such disclosure may disclose only that portion of the Confidential Information which it is legally required to disclose and shall use reasonable efforts to obtain assurances that confidential treatment shall be accorded to the Confidential Information.

14.9.5 The recipient Party agrees that it, its Affiliates and representatives shall, upon request by the disclosing Party promptly:

(i) return, and use all reasonable endeavors to procure that any third party to whom the recipient Party has disclosed the Confidential Information pursuant to this Agreement shall return, all the Confidential Information that is in tangible form (including, without limitation, Confidential Information contained on computer disks or other electronic storage media or devices) furnished, together with any copies or extracts thereof; and

(ii) destroy, and use all reasonable endeavors to procure that any third party to whom the recipient Party has disclosed the Confidential Information pursuant to this Agreement shall destroy, all analyses, compilations, studies or other documents which have been prepared and which reflect or refer to any Confidential Information,

provided that the recipient Party shall be entitled to retain such Confidential Information which forms part of the permanent records of the recipient Party or its Affiliates and which was prepared for the purposes of the review or decision-making process of the recipient Party or such Affiliate and/or which the recipient Party or its Affiliates is required to retain by law or the rules of any Governmental Authority if it continues keep such Confidential Information confidential in accordance with this Agreement.

14.10 Amendments

14.10.1 Any provision of this Agreement, including the Project Requirements, may be amended, supplemented or modified only by an agreement in writing signed by the Parties, subject to the condition that such amendment does not adversely affect the rights and/or interest of the Authority as well as those of the Concessionaire.

14.10.2 Either Party may at any time request the other to enter into discussions to review the operation of any part of this Agreement and, but without commitment by either Party, to determine whether it should be amended by mutual agreement provided that, unless there is such mutual agreement, the provisions of this Agreement (as then most recently, if at all, amended) shall continue to apply whatever the outcome of any such discussions or review and whether or not any such discussions or review take place.

14.11 Waivers and Consents

14.11.1 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 Parties.

14.11.2 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.

14.11.3 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.

14.12 Severability

14.12.1 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 shall, in any way, be affected or impaired and the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

14.12.2 The Parties shall negotiate in good faith with a view to agreeing one or more provisions which 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.

14.13 Costs and Expenses

Each Party shall be responsible for paying its own costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement.

14.14 Assignment

14.14.1 The rights and obligations of the Concessionaire under this Agreement shall not be assigned, novated or otherwise transferred to any Person, except as otherwise provided in this Agreement.

14.14.2 The rights and obligations of the Authority under this Agreement shall not be assigned, novated or otherwise transferred (whether by virtue of any Applicable Law or any scheme pursuant to any Applicable Law or otherwise) to any Person other than a public body or a government company or a statutory corporation that:

- (i) is a single entity;
- (ii) acquires the whole of the Agreement;
- (iii) has the legal capacity, power and Authority to become a party to and to perform the obligations of the Authority under this Agreement; and
- (iv) has sufficient financial standing or financial resources to perform the obligations of the Authority under this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused these presents to be executed in the manner hereinafter appearing on this [*insert date*] day of [*insert month*], 2012:

SIGNED, SEALED AND DELIVERED by [*name of Authority*] by the hand of Mr./Ms. [*insert name*], [*insert designation*] who is authorized by the Govt. of the Punjab
THE COMMON SEAL OF [*insert name of Authority*], has been affixed to this Agreement on the [*insert date*] day of [*insert month*], 2012, in the presence of Mr./Ms. [*insert name*], Secretary Transport Department Govt. of the Punjab, who has signed the same in token thereof.

SIGNED, SEALED AND DELIVERED by [*name of Concessionaire*] by the hand of Mr./Ms. [*insert name*], [*insert designation*] who has been authorized pursuant to the resolutions passed by the board of directors at its meeting held on the [*insert date*] day of [*insert month*], 2012.
THE COMMON SEAL OF [*insert name of Concessionaire*], has been affixed to this Agreement pursuant to the resolution of its board of directors passed in that behalf on the [*insert date*] day of [*insert month*] 2012, in the presence of Mr./Ms. [*insert name*], director, who has signed the same in token thereof.

15 Definitions and Interpretation

15.1 Terms Meaning

In this Agreement, unless the context otherwise requires, the terms mentioned in this part in inverted commas shall have the same meanings assigned to them as mentioned herein.

15.1.1 “DBOT” means Design-Build-Operate-and-Transfer (DBOT). A contractual arrangement whereby the private party undertakes the financing and construction of an infrastructure project and the operation and maintenance thereof. The private party operates the facility over a fixed term during which it is allowed to collect from the facility’s users appropriate tariffs, tolls, fees, rentals, or charges not exceeding those proposed in the bid or negotiated and incorporated in the PPP agreement, to enable the private party to recover its investment and operating and maintenance expenses for the project (plus reasonable profit). The private party transfers the facility to the Government Agency at the end of the fixed term that shall be specified in the PPP agreement. This shall include a supply-and-operate situation, which is a contractual arrangement whereby the supplier of equipment and machinery for an infrastructure project operates it, providing in the process technology transfer and training of the nominated individuals of the Government Agency.

15.1.2 “Government Agency” means the Transport Department of the Government of the Punjab or its Successors having administrative control of Transport sector over the area now known as Punjab.

15.1.3 “The Authority” means the Government of the Punjab operating through the Secretary Transport Department or any other Department having administrative control over the transport sector of the Government of the Punjab in future.

15.1.4 “The Concessionaire / Concessionaire” means the limited company formed by the Consortium whose lead member has signed this Agreement on behalf of it, without any inclusion of any other company in it. However, the change of name and/or ownership of any Member company of the Consortium shall not be limited by this definition.

15.1.5 “COD” means date of commencement of commercial operations.

15.1.6 "EPC Contracts" means any contracts entered into by the Concessionaire with Contractor(s) for the design, supply of goods and equipment, erection, installation, commissioning and completion of the Facilities in accordance with the Technical Requirements and Good Industry Practice. (EPC is responsibility of private party)

15.1.7 “PSVs” means Public Service Vehicles, registered in Punjab or any other part of the country but having its route itinerary through or within in Punjab.

15.1.8 “Private Vehicles” means vehicles used for private purposes other than “PSVs” registered in Punjab.

- 15.1.9 “Customer” means owner of the PSV or their authorized representative
- 15.1.10 “Node” means the starting and/or end point of a route, as mentioned in the route permit.
- 15.1.11 “Functional Date” means the date of becoming functional of a PSV inspection station which shall not be later than 30 days from the date of completion of construction.
- 15.1.12 “Milestone date” vis-à-vis a particular component of the project means the date of completion of that component.
- 15.1.13 “Grace Period” means a period of ninety (90) days from the scheduled date.
- 15.1.14 “Effective Date” means the date of start of construction work, after the signing of Agreement.
- 15.1.15 “VIS” or “Facility” means PSVs Inspection Station established in accordance with the provision of this Agreement.
- 15.1.16 “Concession Period” means period from the Signing of Agreement until the expiry of contract i.e. Twenty (20) years from the date of signing agreement
- 15.1.17 “Threshold” limit means the average increase in the prices of relevant material in the relevant market, during the last three years plus two percent.
- 15.1.18 “GoP” means Government of Pakistan established according to the provisions of the Constitution of Islamic Republic of Pakistan in 1973, as the Federal Government or so declared by the Supreme Court of Pakistan.
- 15.1.19 “GoPb” means Government of the Punjab established as mentioned in Article 1.1.17 above.
- 15.1.20 “FM” means Force Majeure” as defined in this Agreement.
- 15.1.21 “Remedial Action Notice” means a notice by either party to the other to remove the curable default on its part.
- 15.1.22 “Remedial Period” means the period allowed in the Remedial Action Notice for the cure of the default by the party upon which such Notice has been served.
- 15.1.23 “EOD” means Event of Default as specified in this Agreement.
- 15.1.24 “Technical requirements” means technical specifications as set out for an inspection station.
- 15.1.25 “Good Industry Practice” means the usual mode and style of working of PSV inspection stations in the developed countries.

15.1.25 “Independent Consultant” refers to the third party consultants hired for Authority’s facilitation in Audits, Engineering Evaluation and financial assessments.

15.1.26 “Inspection Manual” means the Inspection Manual to be prepared by the Authority in accordance with the Technical Specifications of the PSV Inspection Stations by the Concessionaire, subject to approval by the PPP Steering Committee.”

15.1.27 “PVICS” means the Punjab PSV Inspection and Certification System managed by the Concessionaire as the exclusive PSV inspection program in the province of Punjab.

15.1.29 “O & M” means Operations and Maintenance.

15.1.30 “FIR” means First Information Report by police at accident site.

15.2 Rules of Interpretation

In this Agreement unless the context otherwise requires:

15.2.1 The words importing the singular shall mean the plural and vice-versa; and words importing the masculine shall include the feminine and neutral and vice-versa.

15.2.2 Where any word or expression is given a definite meaning, any other grammatical form of that word or expression shall have the corresponding meaning, where the context requires.

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

15.2.4 "Article" and "Annex" shall refer, respectively to Articles of and Annexes to this Agreement. The Annexes to this Agreement shall form part and parcel of this Agreement.

15.2.5 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.

15.2.6 The references to the word "include" or "including" or to the phrase "in particular", shall be construed without limitation.

15.2.7 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 notated.

15.2.8 Reference to indebtedness includes any obligation (whether incurred as principal or surety or otherwise) for the payment or repayment of money, whether present or future, actual or contingent.

15.2.9 Unless otherwise provided, any late payment charges to be calculated and payable under this Agreement shall accrue prorata on a Monthly basis and from the respective due dates as provided for in this Agreement.

15.2.10 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 following business day.

15.2.11 References to costs or expenses are deemed to be references to reasonable costs and expenses.

15.2.12 The words "written" and "in writing" includes a facsimile transmission and any means of reproducing works in a tangible and permanently visible form.

15.2.13 Whenever provision is made for the giving or issuing of any notice, endorsement, consent, approval, permission, certificate or determination by any person, such notice, etc, shall be reasonably given, shall not be unreasonably withheld or delayed and shall be in writing and the words 'notify', 'endorse', 'approve', 'permit', 'certify' or 'determine' shall be construed accordingly. Where any notice, consent or approval is to be given by either of the Parties, the notice, consent or approval shall be given on their behalf only by any authorised Persons. Unless expressly provided in this Agreement, the word 'notify', shall not require the Authority to give or issue a notice in writing.

15.2.14 The rule of construction, if any, that a contract should be interpreted against the Party responsible for the drafting and preparation thereof, shall not apply to this Agreement.

ANNEXURES

ANNEX-A

CONSTRUCTION AND OPERATION DEADLINES

CONSTRUCTION AND OPERATION DEADLINES

Phase No.	Construction Commencement Date	Operation Deadline
Phase I	From Date of Site Possession after award of contract	Within 12 months* from site possession date
Phase II	do	Within 24 months from site possession date
<p>* Failing to comply with the above mentioned deadlines, the Department may impose fines / penalties: For each facility the Authority may penalize the Concessionaire for a fixed fine of PKR 50000 per month.</p>		

ANNEX-B

PERCENTAGE SHARE OF REVENUE WITH GOPB

Compliance Rate	Government Share
Upto 50%	X % of the Gross Revenue
Above 50%	X % of Gross Revenue Generated from 50% compliance PLUS 0.25% for every 1% compliance above 50% of Gross Revenue Generated from Compliance above 50%

Important Note:

1. The Transport Department shall use the percentage of GoPb share on Gross Annual Revenue for the purpose of evaluation of financial bids
2. The percentage quoted shall be paid by the concessionaire on gross annual revenue throughout the concession period
3. The bidder shall use 50% vehicle compliance rate in each category for determination of financial bid
4. The GoPb share for vehicle compliance rate over 50% shall be split as per the details given in Section. 2.24

Gross revenue means Fee Collected (whether for first time inspection or for revisits) from testing of vehicles less any indirect taxes such as GST etc. that are collected on behalf of a Government Authority for preparation of financial model / bid

Late Inspection Penalty will not be included in Gross Revenue and will be shared according Article 1.6.

ANNEX-C

SERVICES OF THIRD PARTY INDEPENDENT CONSULTANT/ AUDITOR

Third Party (Independent Consultant/ Auditor) Validation

1. The third party Independent Consultant/ Auditor shall review, monitor and audit vehicle inspection centres establishment and operation process to achieve project objectives and meet yearly performance targets.
2. The Independent Consultant/ Auditor shall be selected and approved through competitive process by the authority and financed by the Concessionaire.
3. The Independent Consultant/ Auditor shall review the Concessionaire performance time to time and on schedule times against establishment and operation of VICS stations.
4. The Independent Consultant/ Auditor shall have no authority to instruct the Concessionaire directly. All the instructions to the Concessionaire will be conveyed in writing through the authority. The Concessionaire will pay the Independent Consultant/ Auditor on monthly basis the fee (bid for) agreed for their services. The authority has a sole right to terminate the agreement / contract on any stage subject to non obligation and poor performance of the Independent Consultant/ Auditor.
5. The Independent Consultant/ Auditor shall fulfil its duties and obligations throughout the concession period. The main roles and responsibilities of the Independent Consultant/ Auditor are as below:
 - Review construction design and drawings prepared by Concessionaire
 - Report on construction deadlines to the authority
 - Report on equipment and specifications compliance to the authority
 - Report on station and equipment commissioning to the authority
 - Report on random inspections / surprise visits to the authority
 - Submit performance monitoring reports of the VICS stations to the authority
 - Database validation and verification
 - Report on general issues and customer satisfaction
 - Monthly and annual auditing (review of annual Financial Statements / Performance)
 - GoPb monthly share calculation and verification based on number of inspections performed per month
 - Production of annual and monthly reports for the authority
 - Any other task assigned by the authority

Cost of Services of Third Party (Independent Consultant/ Auditor) Validation

All fees, costs, charges and expenses payable for the hiring of services of Independent Consultant/ Auditor shall be equally borne by both parties i.e. 50% by the Concessionaire and 50% by the Authority. The Independent Consultant/ Auditor shall be required to act independently, reasonably, fairly and expeditiously in fulfilling its duties and obligations. The Independent Consultant/ Auditor shall at all times during the Concession Period, have the right to enter upon and access the site equipment and the VICS station. The service of the Independent Consultant/ Auditor may be hired initially for a period of five (05) years after which it may be renewed on annual basis depending on performance and tasks / services required by the Authority.

The Independent Consultant/ Auditor shall have no Authority to instruct the Concessionaire directly. All the instructions to the Concessionaire will be conveyed in writing through the Authority. The Concessionaire and the Transport Department shall pay the Independent Consultant/ Auditor on monthly basis the fee (bid for) agreed for their services. The Authority has a sole right to terminate the agreement / contract at any stage subject to non obligation and poor performance of the Independent Consultant/ Auditor.

Sample Payment Schedule for Third Party Independent Consultant/ Auditor

S. No.	Payment Composition	Condition	Discharge of Payment	Payment Amount in PKR
1.	__% of the Contract Value	Upon successful Review construction design and drawings prepared by Concessionaire	Within Two Weeks of Successful Operation of VTS	-
2.	__% of the Contract Value	Upon successful submission of Report on construction deadlines to the authority	Within Two Weeks of Invoice Received	-
3	__% of the Contract Value	Upon successful submission of Report on equipment and specifications compliance to the authority	Within Two Weeks of Invoice Received	-
4	__% of the Contract Value	Upon successful submission of Report on station and equipment commissioning to the authority	Within Two Weeks of Invoice Received	-
5	__% of the Contract Value	Upon successful submission of Report of Report on random inspections / surprise visits to the authority	Within Two Weeks of Invoice Received	-
6	__% of the Contract Value	Upon successful submission of performance monitoring reports of the VICS stations to the authority	Within Two Weeks of Invoice Received	-
7	__% of the Contract Value	Upon successful submission of Database validation and verification	Within Two Weeks of Invoice Received	-
	__% of the Contract	Upon successful submission of Report	Within Two Weeks of Invoice Received	

	Value	on general issues and customer satisfaction		
	__% of the Contract Value	Upon successful submission of GoPb monthly share calculation and verification based on number of inspections performed per month	Within Two Weeks of Invoice Received	
	__% of the Contract Value	Upon successful submission of annual and monthly reports for the authority	Within Two Weeks of Invoice Received	

ANNEX-D

REGISTERED PUBLIC SERVICE VEHICLES (E&T DATA)

Table-1: Motor Vehicles Registration Data of Public Service Vehicles (PSVs) updated on 31-3-2013 by Excise & Taxation Department (reduced by 15% for diminished vehicles)

Name Of Division	Pick ups/ Del.Vans	Mini Buses	Buses	Rickshaws	Trucks	Taxies	Total
Rawalpindi	25,163	6,656	4,406	8,286	7,956	5,015	57,481
Jhelum	6,380	207	313	6,678	761	199	14,538
Attock	5,135	8	106	8,017	336	85	13,687
Chakwal	3,023	76	54	4,720	69	80	8,021
Rawalpindi Div.	39,701	6,945	4,879	27,702	9,121	5,379	93,727
Lahore	68,748	15,073	17,661	102,462	20,567	12,874	237,385
Sheikhupura	417	120	681	2,440	643	264	4,565
Kasur	444	128	9	1,495	148	145	2,368
Nankana Sahib	26	1	5	17	12	-	60
Lahore Div.	69,635	15,321	18,357	106,414	21,371	13,282	244,379
Multan	8,985	2,352	2,692	11,967	2,761	2,883	31,640
Khanewal	194	4	19	296	37	439	988
Vehari	405	20	46	20	84	631	1,205
Lodhran	111	11	10	607	31	94	864
Multan Div.	9,695	2,388	2,767	12,889	2,913	4,046	34,698
Sahiwal	1,580	110	708	453	1,261	1,669	5,781
Pakpattan	190	46	168	6	23	-	433
Okara	270	14	326	831	394	-	1,835
Sahiwal Div.	2,040	170	1,202	1,290	1,677	1,669	8,049
Sargodha	3,731	105	1,794	8,551	1,054	1,071	16,306
Miawali	1,406	58	71	2,175	993	190	4,893
Bhakkar	158	66	70	5,846	28	58	6,226
Khushab	467	12	268	5,690	204	20	6,660
Sargodha Div.	5,761	241	2,202	22,262	2,279	1,339	34,085
Bahawalpur	2,160	145	622	4,108	409	2,055	9,499
Bahawalnagar	268	14	151	512	66	158	1,170
R.Y Khan	3,465	9	949	172	412	122	5,130
Bahawalpur Div.	5,893	168	1,723	4,791	887	2,335	15,798
Faisalabad	6,729	93	4,570	16,351	3,809	1,639	33,192
Jhang	479	443	504	5,099	318	111	6,953
Chiniot	27	-	-	983	1	-	1,011
T.T Singh	151	2	66	1,748	72	92	2,132
Faisalabad Div.	7,387	537	5,141	24,182	4,200	1,841	43,287
Gujrawala	4,276	382	937	4,586	1,136	1,650	12,966
Sialkot	5,129	526	431	3,305	432	310	10,133
Gujrat	1,860	575	1,223	2,887	510	302	7,356
Narowal	160	6	11	374	3	1	555
M.B Din	193	9	14	849	10	9	1,083
Hafizabad	211	-	10	14	5	-	240
Gujranwala Div.	11,828	1,497	2,626	12,014	2,097	2,271	32,332
D.J Khan	417	-	162	449	207	831	2,066
Rajanpur	242	-	44	-	26	162	474
Muzaffargarh	289	22	197	421	364	110	1,403
Layyah	256	1	54	757	37	103	1,207
D.G Khan Div	1,204	23	457	1,627	634	1,205	5,150
Grand Total	153,143	27,291	39,353	213,172	45,179	33,368	511,505

Source: Excise and Taxation Department, Government of Punjab, 2013.

SCHEDULES

SCHEDULE-I

Minimum Standard and Specification

SCHEDULE-II

**FINANCIAL BID (QUOTED GOPB SHARE SCHEDULE FOR
VEHICLE INSPECTIONS)**

(As per RFP)

SCHEDULE-III

DRAFT PERFORMANCE GUARANTEE

(As per RFP)

SCHEDULE-IV

KEY PERFORMANCE INDICATORS (KPI'S)

(As per RFP)

SCHEDULE-V

FINES AND PENALTIES

(As per RFP)