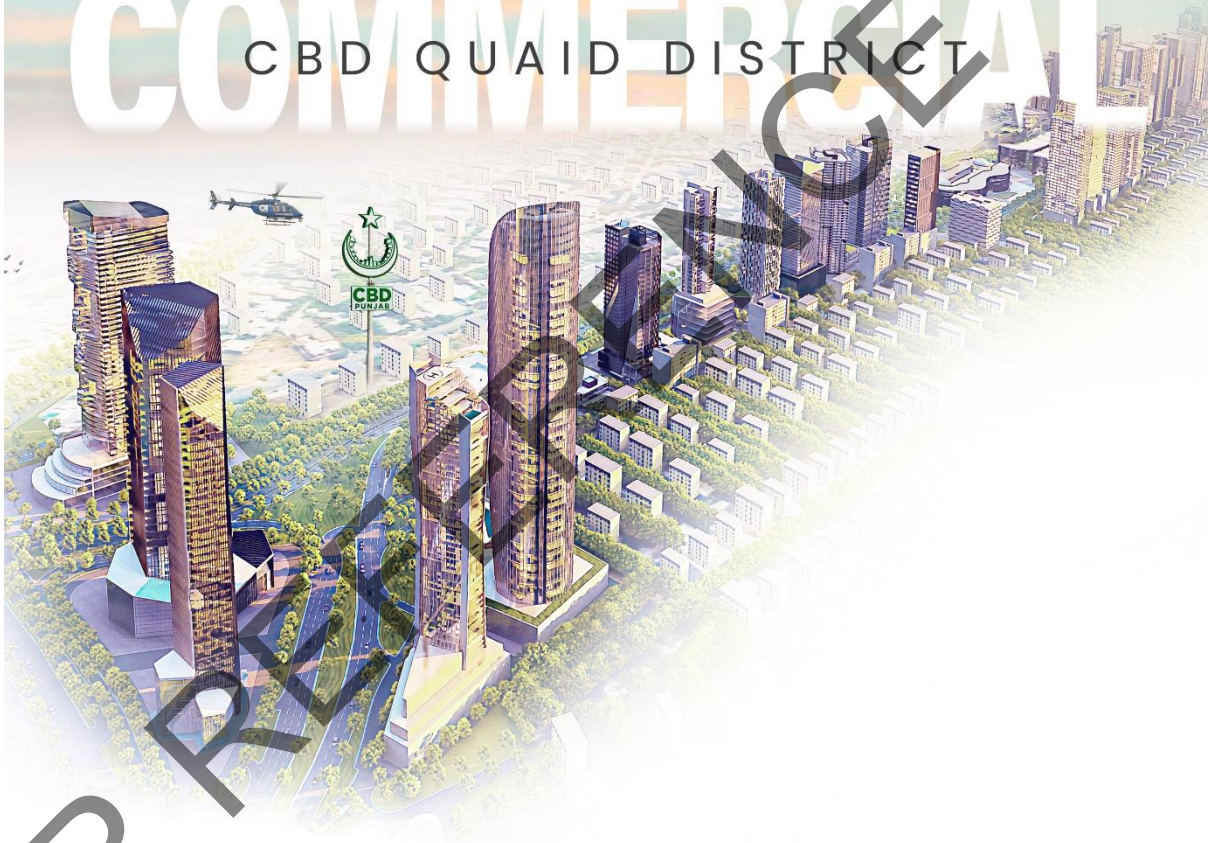


REQUEST FOR PROPOSAL

JOINT VENTURE TO DESIGN, FINANCE,
CONSTRUCT, OPERATE AND MAINTAIN
CBD COMMERCIAL PLOT

COMMERCIAL

CBD QUAID DISTRICT



AUGUST 2024

**Punjab Central Business District
Development Authority (PCBDDA)**

FOR REVIEW ONLY

Disclaimer

This RFP has been prepared by the Punjab Central Business District Development Authority (PCBDDA). This invitation constitutes no form of commitment on the part of PCBDDA to enter into any arrangements with any person/entity. PCBDDA reserves the right to withdraw from the process or any part thereof or to vary any of its terms at any time without giving any reason whatsoever. No financial or other obligation whatsoever shall accrue to PCBDDA in such an event. The information contained in this Request for Proposal (RFP) and attached Schedules or subsequently provided to Bidders, whether verbally or in documentary or any other form by or on behalf of PCBDDA or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement; its sole purpose is to provide interested parties with information that may be useful to them in making their offers (Bids/Proposals) pursuant to this RFP. This RFP contains statements which reflect various assumptions and assessments made by PCBDDA in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for PCBDDA, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party, which reads or uses this RFP.

The assumptions, assessments, statements and information contained in the RFP, may not be complete, accurate, adequate or correct for the purposes of Bidders. PCBDDA has no liability for any statements, opinions or information provided in the RFP. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP. The Bidders are required to undertake their independent assessment and to seek independent professional advice on any or all aspects of the RFP. No decision should be based solely on relying on the RFP.

PCBDDA expressly disavows any obligation or duty (whether in contract, tort or otherwise) to any Bidder. No Bidder is entitled to rely on PCBDDA's involvement in the preparation of this RFP or in the solicitation process as a basis for preparing the Bid or developing the Project.

All information submitted in response to the RFP becomes the property of PCBDDA and PCBDDA does not accept any responsibility for maintaining the confidentiality of the material including any trade secrets or proprietary data submitted to PCBDDA.

In submitting a Proposal in response to this RFP, each Bidder certifies that it understands, accepts and agrees to the disclaimers set forth above.

Nothing contained in any other provision of the RFP nor any statements made orally or in writing by any person or party shall have the effect of negating or suspending any of the disclaimers set forth in this disclaimer.

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FOR REFERENCE ONLY

1 INVITATION LETTER

REFERENCE: Mix Use Commercial Plot, CBD, Quaid District

Dear Bidders,

The Procuring Agency invites “Technical Proposals and Financial Proposals” to enter into a joint venture agreement for designing, financing, construction, operation and maintenance of Commercial Plot Downtown 1 on the land to be provided by CBD to be located at Quaid District, CBD, Lahore, Punjab measuring 14 Kanal (1.75 Acres) approx. (the “**Project**”) under Joint Venture mode, from prospective Bidders.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the Glossary of this Request for Proposal.

This Request for Proposal sets out, *inter alia*, the process of selecting a private partner for implementation of the Project.

In this regard, a detailed description of the Project and its objectives are given in Schedule D (*Terms of Reference*). Bidders are encouraged to carefully review the Project details and local conditions before submitting their Proposals. A Bidder will be selected under single stage two envelope procedure described in this Request for Proposal. In order for a Proposal to be evaluated by the Bid Evaluation Committee, the Bidder(s) must meet all of the Basic Eligibility Criteria requirements stated herein.

The key tentative dates (which may be extended by the Procuring Agency in its sole discretion) of the selection process are as follows:

Issuance of Request for Proposal	August 06, 2024
Submission of Proposal (the “ Proposal Submission Deadline ”)	1100 Hours August 22, 2024
Opening of the Proposal	1130 Hours August 22, 2024
Presentation of Proposals to Bid Evaluation Committee	Will be communicated at a later date

All Bidders who fulfil the Basic Eligibility Criteria as set forth in Schedule F (*Basic Eligibility Criteria*) are requested to submit their Proposals in accordance with this Request for Proposal by no later than 11 a.m. August 22, 2024, by the Proposal Submission Deadline, to:

Attention: Director Procurement

Punjab Central Business District Development Authority

Address: CBD Punjab, Complex Ex-Walton Airport, Lt. (Navy) Yasir Shaheed Rd, Lahore, Pakistan

Telephone: 042-99058100

Proposal shall be opened at 11.30 P.M. on the August 22, 2024.

We would like to thank all Bidders for their interest in this Project.

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2 NOTICE

This Request for Proposal is provided to the Bidders solely for use in preparing and submitting Proposals in connection with the competitive bidding process to implement the Project.

The Evaluation Criteria was determined by the Procuring Agency and the Proposals will be evaluated by the Bid Evaluation Committee constituted in accordance with the Applicable Laws of Islamic Republic of Pakistan including but not limited to Punjab Central Business District Development Authority Act 2021, PCBDDA Joint Venture Regulations, 2022 and PCBDDA Land and Property Disposal Regulations 2024.

Neither the Procuring Agency, and the Bid Evaluation Committee nor, in each case, their employees, personnel, agents, consultants, advisors, legal advisors and contractors etc., make any representation (expressed or implied) as to the accuracy or completeness of the information contained herein, or in any other document made available to any person in connection with the tender process for the Project and the same shall have no liability for this Request for Proposal or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Project. Neither these entities nor their employees, personnel, agents, consultants, advisors, legal advisors and contractors etc., will be liable in any manner whatsoever to reimburse or compensate the recipient for any costs, fees, damages or expenses incurred by the recipient in evaluating or acting upon this Request for Proposal or otherwise in connection with the Project.

Any Proposal submitted in response to this Request for Proposal by any of the Bidders shall be upon the full understanding and agreement of any and all terms of this Request for Proposal and such submission shall be deemed as an acceptance to all the terms and conditions stated in this Request for Proposal.

Any Proposal to this Request for Proposal submitted by a Bidder shall be construed based on the understanding that the Bidder acknowledges that prior to the submission of the Proposal in response to this Request for Proposal, the Bidder has, after a complete and careful examination, made an independent evaluation of this Request for Proposal, scope of the Project, the project requirements, the applicable standards, the Project Site, local conditions, physical qualities of ground, subsoil and geology, traffic volumes and all information provided by the Procuring Agency or obtained, procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations under the JV Agreement.

This Request for Proposal does not constitute a solicitation to invest, or otherwise participate, in the Project, neither shall it constitute a guarantee on the part of the Procuring Agency that the Project will be awarded. The Procuring Agency reserves its right, in its full discretion, to modify the Request for Proposal and/or the Project at any time to the fullest extent permitted by law, and shall not be liable to reimburse or compensate the recipient for any costs, taxes, expenses or damages incurred by the recipient in such an event.

FOR REFERENCE ONLY

3 GLOSSARY

- 3.1 **Applicable Laws:** including but not limited to Punjab Central Business District Development Authority Act 2021, PCBDDA Joint Venture Regulations, 2022 and PCBDDA Land and Property Disposal Regulations 2024 and any common or customary law, constitutional law, any statute, regulation, resolution, rules, ordinance, enactment, judgment, order, code, decree, directive, notification, clarification, guideline, policy, requirement or other government restriction and any decision of or determination by or interpretation of any of the foregoing by any governmental authority, court or Competent Authority having jurisdiction over this Request for Proposal, the Project or the relevant parties (whether at a national, regional, provincial, state or local level) now or hereafter in effect, in each case as amended, reenacted or replaced.
- 3.2 **Basic Eligibility Criteria:** Means the basic eligibility criteria provided in Schedule F of this Request for Proposal.
- 3.3 **Benchmark Price:** The minimum price to be offered by the Bidder specified in Schedule C payable by the SPV to PCBDDA as per the payment terms stipulated under the JV Agreement.
- 3.4 **Bid Evaluation Committee:** Means the technical and financial evaluation committee constituted by PCBDDA for the purpose of analyzing, evaluating and approving the Proposals.
- 3.5 **Bid Price:** Present value of revenue to be shared with the Procuring Agency as submitted by the Bidder in the Financial Proposal.
- 3.6 **Bid Security:** The meaning ascribed thereto in the Data Sheet.
- 3.7 **Bidder:** An enterprise or a Consortium that submits a Proposal in response to this Request for Proposal
- 3.8 **Business Days:** Shall mean any day that is an official working day of the Procuring Agency.
- 3.9 **Competent Authority:** Any agency, legislative, judicial or executive, department, ministry, public or statutory person, whether autonomous or not, of the Government of Punjab or the Government of Pakistan or any other subdivision or instrumentality thereof.
- 3.10 **Commencement Date:** Has the meaning ascribed thereto in Section 4.16.
- 3.11 **Completion Date:** Has the meaning ascribed thereto in Section 4.16

- 3.12 **Consortium:** A group of two (2) or more enterprises formed to submit a Proposal and, if applicable, to carry out the Project.
- 3.13 **Consortium Agreement:** An agreement between the members of the Consortium, conveying, inter alia, the intent to form a joint venture SPV with shareholding / ownership equity commitment(s), role of the members of the Consortium, in terms of Section 4.15 of this Request for Proposal.
- 3.14 **Contract Period:** The period commencing from the date of execution of the JV Agreement and ending on the date falling on the earlier of:
- (i) 07 years following the Effective Date; and
 - (ii) termination of the JV Agreement
- 3.15 **Data Sheet:** The data sheet provided in Schedule A.
- 3.16 **Developer:** The SPV to be established and incorporated under the laws of Pakistan by the Preferred Bidder for the purposes of implementation of the Project in accordance with this Request for Proposal and JV Agreement.
- 3.17 **Effective Date:** Has the meaning ascribed thereto in the JV Agreement.
- 3.18 **Evaluation Criteria:** Means the evaluation criteria provided in Schedule E of this Request for Proposal.
- 3.19 **Financial Proposal:** Means the financial proposal submitted by the Bidder in response to this Request for Proposal.
- 3.20 **JV Agreement:** The agreement to be executed between, the Procuring Agency and the Developer in pursuance of this Request for Proposal as further defined in the PCBDDA JV Regulations and provided in Schedule K.
- 3.21 **“Land Title Transfer Payment”** means final payment for transfer of title of the Land in the name of SPV by PCBDDA, as specified in Schedule C to be read with the relevant terms of the JV Agreement.
- 3.22 **Letter of Acceptance:** Means the letter of acceptance issued by the Procuring Agency to the selected Bidder for selection as a Preferred Bidder subject to terms and conditions provided therein.
- 3.23 **Lease Rental:** means the amounts payable by the SPV to PCBDDA on account of lease rentals for the use of Land as specified in Schedule B of the Lease Agreement.
- 3.24 **PCBDDA:** Punjab Central Business District Development Authority.

- 3.25 **PCBDDA Act:** means The Punjab Central Business District Development Authority, Act 2021 (Act VI of 2021), as amended from time to time.
- 3.26 **PCBDDA Land and Property Disposal Regulations:** means the PCBDDA Land and Property Disposal Regulations 2024.
- 3.27 **PCBDDA JV Regulations:** means the Punjab Central Business District Development Authority (PCBDDA) Joint Venture Regulations 2024.
- 3.28 **PCBDDA Payments:** means the Lease Rental and Land Title Transfer Payment.
- 3.29 **Performance Security:** Has the meaning ascribed thereto in the Data Sheet.
- 3.30 **Pre-Bid Conference:** The conference(s) relating to the queries raised and clarifications sought by the prospective Bidders that are to be held on the dates set out in Schedule A (*Data Sheet*).
- 3.31 **Preferred Bidder:** The Bidder selected through this Request for Proposal.
- 3.32 **Procuring Agency:** Punjab Central Business District Development Authority.
- 3.33 **Project Site or the "Land":** Has the meaning ascribed thereto in Section 4.1.
- 3.34 **Project:** Has the meaning ascribed thereto in Section 4.2.
- 3.35 **Project Cost:** Means the project cost as indicated in the Proposal by the Bidder for the Project.
- 3.36 **Proposal Submission Deadline:** Has the meaning ascribed thereto in Section 4.16.
- 3.37 **Proposal Validity Period:** Has the meaning ascribed thereto in the Data Sheet.
- 3.38 **Proposal:** Means the Technical Proposal and Financial Proposal.
- 3.39 **Signing Date:** Has the meaning ascribed thereto in Section 4.16.
- 3.40 **SPV or the Developer:** Has the meaning ascribed thereto in Section 4.18.
- 3.41 **Technical Proposal:** Means the technical proposal submitted by the Bidder in response to this Request for Proposal.

3.42 **Terms of Reference:** Means the terms of reference provided in Schedule D (*Terms of Reference*) to this Request for Proposal.

FOR REFERENCE ONLY

4 INFORMATION FOR BIDDER

4.1 Introduction:

Welcome to CBD-Quaid District; Step into the heart of our city's future: the Central Business District. Amidst towering skyscrapers and bustling streets, opportunity abounds. This dynamic ecosystem merges innovation with tradition, offering investors a prime chance to shape tomorrow's landscape. Join us in unlocking the district's potential and crafting its next chapter of prosperity.

Punjab Central Business District Development Authority ("PCBDDA") invites proposal / interest from prospective Firms/Investors/Developers ("Interested Parties") as companies incorporated or in the form of consortium as per guidelines provided in the Request for Proposal Document based on Design, Build, Finance, Operate and Maintain (DBFOM), Market and Sale of the Project with inventory sharing rights with PCBDDA, as per the approved master plan of CBD Walton.

Interested parties with demonstrated technical and financial capabilities to execute the project will undergo evaluation during the technical evaluation stage according to PCBDDA Joint Venture Regulations 2022 (Amended). During the RFP Stage, Interested Parties are required to submit a single sealed envelope containing proposal under the RFP Procedure. The proposal must contain required information about their technical, legal, managerial, and financial capacity to undertake the Project in such form, along with particulars, as specified by the Authority in the Request for Proposal Document.

4.2 Project Features

4.2.1 Key Salient and or attractive features of the Project include:

- (a) CBD, Quaid District
- (b) Commercial Plot DT-I
- (c) 14 Kanal (1.75 Acres) approx.

4.2.2 This Request for Proposal is being issued as a part of the competitive selection process to invite the Bidders to submit the Proposals with the intent to enter into a JV Agreement for the Project. Further details on the scope of work are available in Schedule H (Scope of Work) of this Request for Proposal.

4.2.3 The recipients of this Request for Proposal are hereby invited to submit the Technical Proposal and the Financial Proposal in respect of the services required for the Project given in Schedule H (Scope of Work).

4.2.4 Bidders are encouraged to submit their respective Proposals after visiting the Project Site and ascertaining for themselves the site conditions, location, surroundings, climate, availability of power, water

and other utilities for construction, access to site, handling and storage of materials, weather data, Applicable Laws of Islamic Republic of Pakistan including but not limited to Punjab.

4.2.5 All costs related to the visits to the Project Site shall be borne by the Bidders and, regardless of the Proposal and competitive selection process outcome, the Procuring Agency shall not be liable in any manner for any costs incurred as a result of such visit(s).

4.2.6 Any Proposal submitted in response to this Request for Proposal is submitted upon a full understanding and agreement of terms related to Section 4.1 (Introduction) of this Request for Proposal and, therefore, the submission of Proposals in response to this Request for Proposal shall be deemed as acceptance to the said terms.

4.3 No Obligation to Select or Proceed

4.3.1 Notwithstanding anything contained herein, by submission of a Proposal by a Bidder, such Bidder acknowledges and agrees that:

- (a) the Procuring Agency may, at its sole discretion, refuse to consider and completely withdraw from the consultation and selection process; or decide to terminate the entire bidding process without assigning any reason whatsoever; or decide to proceed with the Project under a new procurement process (including any new JV process); or decide to proceed with the Project in some manner other than as a JV; or reject any Proposal that, in the sole opinion of the Procuring Agency, is incomplete or irregular, contains exceptions or deviations that are unacceptable to the Procuring Agency, or contains false or misleading statements, claims, or information, or omits any material information that must be submitted under this Request for Proposal by a Bidder, or for any other reason whatsoever;
- (b) the Procuring Agency's decision with respect to the compliance or non-compliance of a Proposal is final and binding and that the Procuring Agency is in no way obliged to consult the Bidder in making its decisions; and
- (c) any Proposal submitted in response to this Request for Proposal is submitted upon a full understanding and agreement of terms related to aforementioned points (a) & (b) above and therefore the submission of Proposals in response to this Request for Proposal shall be deemed as an acceptance to the aforesaid terms.

4.4 Costs and Expenses incurred by the Bidders

4.4.1 All costs, expenses and liabilities incurred by any Bidder in connection with the preparation and submission of the Proposal in response to this Request for Proposal including the provision of any additional information, attendance at meetings, conducting due diligence, visits to the Project Site, engagement of consultants, advisors and contractors shall be, in all cases, borne by the Bidder.

4.5 Confidentiality

4.5.1 Information relating to the examination, clarification, evaluation and recommendation for the Bidders (including any Bidder which is a part of the Consortium) shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the Procuring Agency in relation to, or matters arising out of, or concerning the competitive selection process.

4.5.2 The Procuring Agency will treat all information, submitted as part of the Proposal, in confidence and will require all those who have access to such material to treat the same in confidence.

4.5.3 The Procuring Agency may not divulge any such information, unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/or the Procuring Agency.

4.6 Proposal Validity

4.6.1 The Data Sheet indicates Proposal Validity Period. During this period, the Proposal shall remain valid and open for acceptance for the Proposal Validity Period.

4.6.2 In exceptional circumstance, prior to expiry of the original Proposal Validity Period, the Procuring Agency may request Bidder to grant a specified extension in the Proposal Validity Period.

4.6.3 This request and the response thereto shall be made in writing or through fax or email. An acceptance by the Bidder of such extension in the Proposal Validity Period shall obligate the Bidder to extend the validity of the Bid Security correspondingly.

4.6.4 A Bidder may refuse the request for extension of the Proposal Validity Period and claim return of its Bid Security.

4.7 Bid Security

- 4.7.1 The Bidder shall submit Bid Security in the form and manner provided in Annexure B - Schedule G (Bid Documents) along with Financial Proposal defined in the Data Sheet. Bid Security shall be released to the unsuccessful Bidders once the JV Agreement has been signed with the Developer or the Proposal Validity Period has expired, whichever is later.
- 4.7.2 Any Proposal not accompanied by the required Bid Security, or accompanied by a Bid Security in an amount less than that required under the Request for Proposal, shall be rejected by PCBDDA as non-responsive. It is further clarified that no Bid Security in the form of insurance guarantee shall be entertained.
- 4.7.3 The Bid Security may be encashed by PCBDDA in the following circumstances:
- (i) in the event the Preferred Bidder fails, within specified time to:
 - (a) comply with the instructions laid down in the Letter of Acceptance within time period stipulated therein;
 - (b) furnish the necessary performance security as and when required under the JV Agreement;
 - (c) execute the JV Agreement;
 - (d) achieve all conditions precedent agreed in the executed JV Agreement.
 - (ii) withdraws its Proposal during the Proposal Validity Period.
 - (iii) In the event it is found by the Procuring Agency, at the time of opening of Financial Proposal that the Bid Security expires prior to the date falling twenty-eight (28) days beyond the Proposal Validity Period;

4.8 Clarification And Amendment In Request For Proposal Documents

- 4.8.1 The Bidder requiring any clarification regarding the Request for Proposal and/or any documents/forms and instruments to be submitted pursuant to the same must notify the Procuring Agency, in writing, not later than three (3) Business Days prior to the respective Pre-Bid Conference relating to the Request for Proposal matters.
- 4.8.2 Any request for clarification in writing, or by email, shall be sent to the Procuring Agency's address indicated in the Data Sheet.
- 4.8.3 The Procuring Agency shall respond in writing or by email to such requests and copy of the responses shall be uploaded to the website of the Procuring Agency.

4.8.4 Each Bidder shall nominate a representative with whom the Procuring Agency may liaise with and shall provide such representative's details including designation and all relevant contact details. Legal documentation (e.g. power of attorney, board resolutions and other legally binding authorization) for appointment of the authorized representative of the Bidder shall be provided with the Proposal.

4.8.5 The Proposals must be signed by the authorized signatory of each of the Bidders and where applicable, each Consortium member, signing under a board resolution, substantially in the form specified in Annexure E - Schedule G (Bid Documents), a copy of which is to be provided with the Proposals.

4.8.6 For the avoidance of doubt, no additional information/documents shall be submitted by any Bidder after the Proposal Submission Deadline. In the event any additional information/document is submitted by any Bidder after the Proposal Submission Deadline, the Procuring Agency and Bid Evaluation Committee shall not consider such additional information/document to select a Preferred Bidder pursuant to this Request for Proposal.

4.9 Language

4.9.1 The Proposal as well as all related correspondence exchanged by the Bidders and the Procuring Agency shall be written in English.

4.10 Preparation Of Proposals

4.10.1 In preparing the Proposal, the Bidders are expected to examine in detail, the documents comprising the Request for Proposal. Material deficiencies (deviation from scope, experience and qualification of personnel) in providing the information requested may result in rejection of a Proposal.

4.10.2 The Proposal shall be prepared in two separate parts, each to be contained in a separate cover as follows:

Cover 1: Technical Proposal

Cover 2: Financial Proposal

4.11 Taxes

4.11.1 The Preferred Bidder shall be liable to pay federal, provincial and local taxes. The Developer's obligations to taxation are clearly identified in the JV Agreement.

- 4.11.2 For the sake of clarity, the Preferred Bidder is expected to pay all the taxes, rents, and charges payable to any local government, provincial or federal government and it would not be allowed to seek any support from the Government of Punjab or the Procuring Agency if it was unaware or ignorant of any tax, rate or charges.

4.12 Submission, Receipt of Proposals

- 4.12.1 Proposal shall contain no interlineations or overwriting. Submission letters for both Technical Proposal and Financial Proposal should respectively be in the manner required in this Request for Proposal. All pages of the original Technical Proposal and Financial Proposal will be initialled by an authorized representative of the Bidder.
- 4.12.2 All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original copy shall prevail.
- 4.12.3 The Technical Proposal and Financial Proposal shall be submitted, in triplicate (one (1) original and two (2) copies). One (1) copy of the Technical Proposal and Financial Proposal shall be submitted through electronic means in a USB. Each Technical Proposal shall be in a separate sealed envelope indicating the proposal as original or copy clearly marked as "ORIGINAL" and "COPY", as appropriate. The Technical Proposal shall be placed in a sealed envelope clearly marked as "TECHNICAL PROPOSAL" and the Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL". The two (2) envelopes, in turn, shall be sealed in an outer envelope bearing the address and information indicated in the Data Sheet. The envelope shall be clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE TECHNICAL AND FINANCIAL EVALUATION COMMITTEE". Any Bidder who submits or participates in more than one (1) Proposal will be disqualified.
- 4.12.4 The Proposals must be sent to the address indicated in the Data Sheet and received by the Procuring Agency no later than the Proposal Submission Deadline, or any extension to this date. Any proposal received by the Procuring Agency after the Proposal Submission Date shall be returned unopened. In order to avoid any delay arising from the postal or Procuring Agency's internal dispatch workings, Bidder should ensure that Proposal to be sent through couriers should reach a day before the Proposal Submission Deadline.

- 4.12.5 The original and each copy of the Technical Proposal and Financial Proposal shall be prepared in indelible ink and shall be signed by the authorized representative of the Bidder. The representative's authorization shall be confirmed by a board resolution provided in Annexure E of Schedule G (Bid Documents). All pages of the Technical Proposal and Financial Proposal shall be initialed by the Bidder's authorized representative, stamped by the Bidder or (by lead member in case of a Consortium) and be page numbered in ascending order. In case of any discrepancy between the original and the copies of the Proposal, the original copy shall prevail.
- 4.12.6 Notwithstanding anything contained herein, the Procuring Agency shall have the right to reject any Proposal which is not in accordance with the requirements of this Request for Proposal.

4.13 Opening of the Proposals

- 4.13.1 The Procuring Agency will open the Proposals in the presence of Bidders or their authorized representatives who choose to attend, at the proposal opening one hour after the Proposal Submission Deadline. The Bidders' representatives who are present shall sign attendance in evidence of their presence.
- 4.13.2 The Procuring Agency shall examine the Proposals to determine whether they are complete and responsive in all aspects and shall prepare detailed minutes of the proposal opening for transparency and its own record in accordance with the Applicable Laws.
- 4.13.3 The Bidder's names, Proposal withdrawals (if any), the presence of the requisite Bid Security and such other details, as the Procuring Agency, at its discretion, may consider appropriate, will be announced at the opening of the Proposals.
- 4.13.4 Any effort by a Bidder to influence the Procuring Agency in the process of examination, clarification, comparison and evaluation of Proposals, or decisions concerning award of JV Agreement, will result in the rejection of that Bidder's Proposal.

4.14 Award Of Project

- 4.14.1 Subject to the requirement of the Applicable Laws, after selection of the Preferred Bidder, the Procuring Agency reserves the right to negotiate changes to the Proposal or to any of the terms of the JV Agreement, in accordance with the Applicable Laws, provided however, the Preferred Bidder will not be entitled to initiate changes to its Proposal, or to the JV Agreement, except as set out and

described in its Proposal and agreed upon by the Procuring Agency in writing during the pre-bid stage.

- 4.14.2 After completing negotiations, the Procuring Agency shall award the Project to the Preferred Bidder and within seven (7) days thereafter signing of the JV Agreement, Procuring Agency shall publish on the website of the PCBDDA, if such a website exists, the result of the bidding process, identifying the bid through procuring identifying number, if any and the following information, evaluation report, form of JV Agreement and Letter of Acceptance, or schedule of requirement, as the case may be. After publishing of award of Project and signing of the JV Agreement, Bidder shall be required to submit a Performance Security as detailed in Schedule A (Data Sheet).

4.15 Consortium Agreement

- 4.15.1 In case of a Consortium, the Proposal shall be accompanied by a certified true copy of the Consortium Agreement. The Consortium Agreement as applicable shall confirm the following therein:
- (a) date and place of signing;
 - (b) purpose of Consortium (must include the details of contract works for which the consortium has been invited to bid);
 - (c) convey the intent to form a SPV (with shareholding / ownership equity commitment(s) in the SPV in accordance with this Request for Proposal) which would enter into the JV Agreement and subsequently perform all the obligations of the Developer in terms of the JV Agreement, in case the Project is awarded to the Consortium;
 - (d) commit the equity stake/equity shareholding percentage to be held by each Member. In the event a Consortium is selected as the Preferred Bidder, each member of the Consortium will be liable to subscribe its committed shareholding percentage of equity shares of the SPV as provided in the JV Agreement;
 - (e) commit that all members (whose experience will be evaluated for the purposes of this Request for Proposal) shall subscribe to the entire issued and paid-up capital of the SPV;
 - (f) commit that any Consortium member shall not undertake to transfer its shareholding in the SPV except as otherwise provided in the JV Agreement; except as provided under this Request for Proposal, there shall not be any amendment to the Consortium Agreement after the Proposal Submission Deadline;
 - (g) A clear and definite description of the proposed administrative arrangements for the management and execution of the Project;

- (h) Delineation of duties, responsibilities and scope of work to be undertaken by each along with resources committed by each partner/member of the Consortium for the proposed services;
- (i) An undertaking that the Bidders are jointly liable to the Procuring Agency for the performance of the obligations as required pursuant to this Request for Proposal and JV Agreement;
- (j) Duties, responsibilities and powers of the lead member; and
- (k) The authorized representative of the Consortium.

4.15.2 In case of a Consortium, it is expected that the lead member would be authorized to incur liabilities and to receive instructions, and payments for and on behalf of the Consortium. For a Consortium to be eligible for participating in the bidding process pursuant to this Request for Proposal, the experience of the lead member should be indicated.

4.15.3 Any alternative proposal, such as one by a Bidder in sole capacity and another through a Consortium will be summarily rejected. In such event, all Proposals submitted by such Bidder and its Consortium shall also be rejected.

4.16 Project Schedule Timetable

4.16.1 The estimated timetable for the bidding process and the schedule of deliverables is as follows:

Issuance of Request for Proposal	August 06, 2024
Response of comments on Request for Proposal	August 19, 2024
Issuance of Addendum	If required
Submission of Proposal (the “ Proposal Submission Deadline ”)	August 22, 2024
Award of Project & Execution of JV Agreement (the “ Signing Date ”)	Within 25 Days of Announcement
Development Period	
Anticipated start of design, planning and surveys	Within 03 Months from Signing Date
Anticipated end of design, planning and surveys	Within 06 Months days from Signing Date
Anticipated start of construction (the “ Commencement Date ”)	Within 02 Years Days from Signing Date
Anticipated end of grey structure of the construction “ Scheduled Completion Date ”)	Within 02 Years from the start of Construction
Anticipated end of complete construction (the “ Scheduled Project Completion Date ”)	Within 05 Years from the start of Construction

Anticipated expiry of JV Agreement and completion of the Project and transfer of title of Land to the SPV by PCBDDA.	07 Years from Effective Date
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4.17 Insurances

4.17.1 If a Bidder is selected as the Preferred Bidder, it understands, undertakes and confirms that it shall be responsible for procuring the requisite insurances (as provided in the JV Agreement) in respect of the Project. All fees, costs and other expenditures relating to such insurances shall be borne by the Preferred Bidder.

4.18 Incorporation of SPV

4.18.1 If a Bidder is selected as the Preferred Bidder, it understands, undertakes and confirms that it shall be responsible for incorporating a special purpose vehicle under the laws of Pakistan ("SPV") which SPV shall enter into the JV Agreement.

4.18.2 All fees, costs and other expenditures relating to obligation hereunder shall be borne by the Preferred Bidder.

4.19 No Contract

4.19.1 No contract whatsoever created by or arises from this Request for Proposal, which under no circumstances, constitutes an offer to enter into a contract with any party whatsoever.

4.19.2 The Procuring Agency and/or the Bid Evaluation Committee do not have an obligation, responsibility, commitment or legal liability towards any Bidders arising from this Request for Proposal or any Proposal submitted in response to it.

4.19.3 Any Proposal submitted in response to this Request for Proposal is submitted upon a full understanding and agreement of terms related to this Section 4.19 (No Contract) and therefore the submission of Proposals in response to this Request for Proposal shall be deemed as an acceptance to the terms of this Request for Proposal

4.20 No Collusion

4.20.1 By submitting a Proposal, the Bidder and each firm, corporation or individual member of the Bidder represents and confirms to the Procuring Agency with the knowledge and intention that the Procuring Agency may rely on such representation and confirmation that its Proposal has been prepared without collusion or fraud, and

is in fair competition with the other Bidders and the Proposals of the other Bidders.

- 4.20.2 The Procuring Agency reserves the right to disqualify any Bidder that, in the Procuring Agency's opinion, has engaged in collusion in connection with the Project.

4.21 Project Team

- 4.21.1 The Procuring Agency will designate a project director, after selection of the Preferred Bidder, who will be mandated to oversee the entire work required to be carried out in respect of the Project.
- 4.21.2 The Preferred Bidder shall cause the Developer to designate a project director who will be mandated to oversee the works required to be carried out in respect of the Project.
- 4.21.3 For the avoidance of doubt, any person or enterprise that has a contract with the Procuring Agency to work on the Project will be ineligible, unless specifically exempted by the Procuring Agency. The Procuring Agency will inform in writing the Preferred Bidder / Developer of any contracts signed with such persons or enterprises,

4.22 No Lobbying

- 4.22.1 The Bidder and the firm, corporation or individual members of the Bidder, will not attempt to communicate, directly or indirectly, with any representative of the Procuring Agency and/or the Bid Evaluation Committee at any stage of this Request for Proposal process (including during the evaluation process), except as expressly directed or permitted by the Procuring Agency.
- 4.22.2 The Procuring Agency reserves the right to disqualify any Bidder that, in the Procuring Agency's opinion, has engaged in lobbying in connection with this Project.

4.23 Claims for Costs

- 4.23.1 The Procuring Agency shall not be liable for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the Bidder or any firm, corporation or individual member of a Bidder, in preparing and submitting a Proposal or participating in negotiations for the JV Agreement or any other activity related to or arising out of this Request for Proposal.

SCHEDULE A- DATA SHEET

1	Project Name	Mix Use Commercial Plot Downtown-I, CBD Quaid District
2	Address for clarifications	Designation: Director Procurement The Punjab Central Business District Development Authority Telephone: +92 (42) 99058100 Email: procurement@cbdpujnb.gov.pk Address: CBD Punjab, Complex Ex-Walton Airport, Lt. (Navy) Yasir Shaheed Rd, Lahore, Pakistan
3	Address for Submission of Bids	CBD Punjab, Complex Ex-Walton Airport, Lt. (Navy) Yasir Shaheed Rd, Lahore, Pakistan
4	Pre-Bid Meeting	Nil
5	Proposal Submission Deadline	August 22, 2024, 1100 Hours
6	Proposal Opening date and time	August 22, 2024, 1130 Hours
7	Envelops title	Please see Section 4.12
8	Language of Proposal and related correspondence	English
9	Proposal Validity Period	One hundred and twenty (120) days from the Proposal Submission Deadline
10	Basic Eligibility Criteria	Please refer to Schedule F (<i>Basic Eligibility Criteria</i>)
11	Evaluation Criteria	Please refer to Schedule E (<i>Evaluation Criteria</i>)
12	Method of Selection	Single stage two envelope process
13	Bid Security	The Bidder shall deposit a bid security, in favour of the Procuring Agency in original Financial Proposal amounting to PKR 50 million in the form of Pay Order, deposit at call, bank draft or bank guarantee issued by a scheduled commercial bank operating in Pakistan or from a foreign bank duly counter guaranteed by a scheduled commercial bank in Pakistan (with a minimum rating of 'AA' by JCR VIS or an equivalent rating by PACRA). The same must be submitted along with the Technical Proposal.
14	Performance Security	The Performance Security to be submitted by the Developer at the time of signing of the JV Agreement or within two days of the signing. For an amount equal to PKR 650,000,000 or 10% of Project Cost whichever is higher with a validity period till the time of completion of CP's of the JV Agreement. The Bidder shall deposit a performance security, in favour of the Procuring Agency, of amounts detailed in JV Agreement, in the form of bank guarantee issued by a scheduled commercial bank operating in Pakistan or from a foreign bank duly counter guaranteed by a scheduled commercial bank in Pakistan (with a minimum rating of 'AA-' by JCR VIS or an equivalent rating by PACRA).

15	Tax liability	The Bidder shall be responsible to bear all taxes, duties, charges and fee of any nature whatsoever whether provincial or federal.
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FOR REFERENCE ONLY

SCHEDULE B- TECHNICAL PROPOSAL STANDARD FORMS

Form Tech 1 – Technical Proposal Submission Form.

Form Tech 2 – Bidder's organization and experience
A – Bidder's organization
B – Bidder's experience
C – Operations and Maintenance Experience

Form Tech 3 – Comments and suggestions on the Terms of Reference.

Form Tech 4 – Net worth of assets owned by the Bidder.

Form Tech 5 – Cash and funding lines.

Form Tech 6 – Team composition.

Form Tech 7 – Concept master plan and design.

Form Tech 8 – Sales/marketing plan.

Form Tech 9 – Financing / funding plan including financial model and cash flows.

Form Tech 10 - Curriculum Vitae (CV) for proposed experts.

FOR REFERENCE ONLY

FORM TECH 1 – TECHNICAL PROPOSAL STANDARD FORM

Chief Executive Officer,
Punjab Central Business District Development Authority
CBD Punjab, Complex Ex-Walton Airport, Lt. (Navy) Yasir
Shaheed Rd, Lahore, Pakistan. Punjab Pakistan

Dear Sir:

We, the undersigned, offer to act as the Developer for development of [*name of project*] in accordance with your Request for Proposal dated [*•*] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, a Financial Proposal sealed under a separate envelope.

We are submitting our Proposal in association with: [*Insert a list with full name and address of each associated Consultant*].

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the developmental work related to the Project not later than the date indicated in the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: [*insert*]

Name of Firm: [*insert*]

Address: [*insert*]

Contact Information: [*Cell Phone & Email*]

FORM TECH 2-A – BIDDER’S ORGANIZATION

Each Bidder or member of a Consortium must fill in this form

Basic Information Form (Company Profile)

All individual Bidders and each member of a Consortium are requested to complete the information in this form.

1	Name of firm (legal): (In case of Joint Venture (JV), legal name of each member)	
2	Nature of Business: (Whether the firm is a Corporation, Partnership, Trust etc.) (In case of Consortium; whether the Lead Consortium Member is a Corporation, Partnership, Trust etc.)	
3	Head Office address:	
4	Telephone: Fax Number: E-mail address:	
5	Place of Incorporation / Registration: Year of Incorporation / Registration:	
6	Bidders’s authorized representative: Telephone: Fax numbers: E-mail address:	
7	Nationality of Owners	
	Name:	Country:

FORM TECH 2-B - BIDDER'S EXPERIENCE

[This form will be used for evaluation of criteria A-3 & B-1]

Note: Using the format below, provide information on each assignment for which your firm, and each associate for this assignment, was legally contracted either individually or as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this Request for Proposal.

Projects will only be evaluated for scoring if the completion certificates or a copy of contract is provided.

For Development Of Real Estate / Infrastructure Projects

Sr. No.	1	2	3	4	5
Name of the project.					
Country.					
Province and exact location					
Name of Client with address, telephone number, fax number and email address.					
Nature of works and special features relevant to the contract for which applied (Refer to Category 1, 2, 3)					
Bidder's Role (Sole, Sub Contractor or Partner in a Joint Venture).					
Value of the total contract in PKR					
Date of award of the project					
Date of Completion					

FORM TECH 2C – OPERATIONS & MAINTENANCE EXPERIENCE

[This form will be used for evaluation of criteria B-4]

Form Tech 2B – Operations & Maintenance experience performed on projects

	Project Name & Location	Duration (From and To)	Details of O&M Activities Performed
1			
2			
3			

FOR REFERENCE ONLY

FORM TECH 3 – COMMENTS AND SUGGESTIONS

Form Tech 3 – Comments and suggestions on the Terms of Reference.

FOR REFERENCE ONLY

FORM TECH 4 – NET WORTH OF ASSETS OWNED BY THE BIDDER

[This form will be used for evaluation of criteria A-1]

Each Bidder or member of a Consortium must fill in this form

Financial Data for Previous 3 Years			
Information from Balance Sheet			
	Year 1	Year 2	Year 3
Total Assets			
Total Liabilities			
Current Assets			
Current Liabilities			
Net Worth			

Copies of audited financial statements which shall be signed and stamped by the auditor of Bidder/respective entity of the Consortium (balance sheets including all related notes, and income statements) for the last three (3) years, as indicated above, complying with the following conditions:

- All such documents reflect the financial situation of the Bidder/every member of the Consortium, and not sister or parent companies.
- Historic financial statements must be audited by a certified accountant.
- Historic financial statements must be complete, including all notes to the financial statements.
- Historic financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
- National tax number certificate (or equivalent) must be attached.
- Tax return filed for the last three (03) years must be provided.
- Foreign firms if participating in the bidding process should submit national tax number certificate (or equivalent) of their country duly attested by consulate of their country.

FORM TECH 5 – CASH AND FUNDING LINES

[This form will be used for evaluation of criteria A-2]

Each Bidder and member of a Consortium must fill in this form

Financial Data for Previous 3 Years			
Information from Balance Sheet			
	Year 1	Year 2	Year 3
Cash and Bank Balances			
Short term investments			
Funding Lines			
Total			

Proof of funding lines such as term sheets, commitment letters etc. with financial institutions (if applicable) must be attached. The Bidders must provide such proof by way of confirmation of the respective financial institution(s) which has provided such funding lines.

FOR REFERENCE ONLY

FORM TECH 6 – TEAM COMPOSITION

[This form will be used for evaluation of criteria B-3]

Bidders and each member of a Consortium should provide the names of suitably qualified personnel to meet the specified requirements stated in technical Evaluation Criteria.

SR. NO.	NAME	TITLE AND POSITION
1		
2		
3		
4		
5		
6		

FOR REFERENCE ONLY

FORM TECH 7 – CONCEPT MASTER PLAN AND DESIGN

[This form will be used for evaluation of criteria C-1]

Bidder shall submit a concept master plan and design for the Project

The Concept Plan & Design shall be evaluated keeping in mind various aspects including but not limited to:

- Project design;
- Innovative features;
- Environmental considerations; and
- Planners for design of real estate projects.

The Bidders shall be required to demonstrate their vision for development of real estate project and how they plan to undertake the development.

Marks would be awarded on the basis of value addition provided in the business plan and the rationale behind the plan, together with demonstration of the implementation team's past record on delivering on of such concepts.

Bidder will be required to present the same to the Procuring Agency (in the form of a presentation) upon request.

A concept masterplan developed at the feasibility study is attached to this Request for Proposal purely as an illustration of land use analysis, the Bidder shall develop his own masterplan in accordance with the PCBDDA Act and PCBDDA JV Regulations for maximum land utilization efficiency and have it approved from the relevant authority.

FORM TECH 8 – SALES/MARKETING PLAN

[This form will be used for evaluation of criteria C-2]

Bidder shall submit a sales/marketing plan for the Project

The Sales/Marketing Plan would be required to demonstrate the following aspects:

- Marketing strategy;
- Pricing strategy;
- Allotment plan of permissible sub-lease areas; and
- Synchronization of the marketing plan with the development plan.

Marketing plan for the [*name of the project*] will be separately evaluated and marked.

Bidder is also required to submit a sales plan as per the format provided below:

			Year 1	Year 2	Year 3	Year 4	Year 5
	Area (sq fts)	Sale Price per sq ft	% of Area	% of Area	% of Area	% of Area	% of Area
			PKR	PKR	PKR	PKR	PKR
Commercial							
Residential							
Total							

Marks would be awarded for such Consortium members who have an impressive set of credentials for developing and operating the Project and the ability to attract customers to the real estate project.

Bidder will be required to present the same to the Procuring Agency (in the form of a presentation) upon request.

FORM TECH 9 – FINANCING / FUNDING PLAN

Financing / funding plan including financial model and cash flows

FOR REFERENCE ONLY

FORM TECH 10 – CURRICULUM VITAE (CV) FOR PROPOSED TEAM

1. **Proposed Position:** [insert]
2. **Name of Expert:** [insert]
3. **Name of Firm:** [insert]
4. **Date of Birth:** [insert]
5. **Citizenship:** [insert]
6. **Qualification:** [List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained]
7. **Membership in Professional Associations and Publications:** [Insert]
8. **Work Experience** *(Note: summarize professional experience in reverse chronological order indicating particular technical and managerial experience relevant to the Project.)*

Period	Employing Organization	Position	Project	Summary of Role and Activities Performed which have Technical & Managerial Experience relevant to the Project

9. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes my qualifications, my experience, and myself. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Name of Expert
Signature
Date

Name of Authorized Representative
Signature
Date

SCHEDULE C - FINANCIAL PROPOSAL STANDARD FORM

Financial Proposal standard form shall be used for the preparation of the Financial Proposal.

- 1 Bidders are required to quote:
 - (a) Lease rentals keeping in view the price of Land payable on a monthly basis starting from commencement of the construction, and;
 - (b) Final payment for the purchase of Land payable to PCBDDA which may be made either in cash or by way of value of the 'inventory and/or completed residential/commercial apartments/houses/units, to be transferred to PCBDDA.

Both (a) and (b) are jointly referred herein as the '**PCBDDA Payments**'

- 2 The minimum PV amount of the PCBDDA Payments payable by any Bidder shall be above PKR Six Billion, Five Hundred Million only (6,500,000,000) ("**Benchmark Price**").
- 3 Bidder who quotes the highest present value ("**PV**") of the 'Land' using a mechanism to make the payments in two portions as per (a) and (b) above (in accordance with the terms of the JV Agreement) discounted at ten percent (10%) = PKR amount in words [insert] (the **Bid Price**), will be considered as the Preferred Bidder.
- 4 This PV shall be computed at a discount rate of ten percent (10%) over a period of 7years on the amounts received and or the value of inventory received by PCBDDA upon completion of the Project in terms of residential and or commercial apartments or houses ready for transfer of possession to the potential buyers/customers.

FINANCIAL MODEL FORMS

- Financial model (to be provided in an excel workbook / spreadsheet) and should have the following below components:

1. Project Cost Breakup

Item	Total
Total Project Cost	

2. Funding / Capital Structure

3. Projected cash flows – initial funding commitment/paid-up share capital of SPV, and the PCBDDA Payments

FOR REFERENCE ONLY

Project Background

PCBDDA has earmarked the Project Site for the establishment of the Project at [location]. The salient features of the Project Site include:

- CBD, Quaid District
- Commercial Plot DT-I
- 14 Kanal (1.75 Acres) approx.

THE ASSIGNMENT

The Bidder will be required to design, construct, finance, develop, operate and maintain the Project on the Land to be provided by PCBDDA. The Preferred Bidder shall be responsible for *inter alia* procuring financial and commercial arrangements for the design, construction, sale and operations/maintenance work of the completed units. The Preferred Bidder shall incorporate a SPV under the laws of Pakistan which will develop the Project and sale the units to the customers. The shareholding of the SPV shall be maintained in accordance with the terms proposed in the bidding documents by the Preferred Bidder. Such shareholding shall also be maintained in accordance with the JV Agreement.

The Project will be implemented on Approx. 1.75 acres for which land shall be leased to the SPV after the execution of the JV Agreement in accordance with the terms thereof. The Commercial Plot shall be transferred to the SPV upon completion of 07 Years of Lease Agreement (as may be defined in the JV Agreement). In consideration of the Project Site to be provided by PCBDDA to the SPV in pursuance of the Lease Agreement, PCBDDA shall be entitled to receive 'lease rental' during the construction period, and final payment for the transfer of title of the Land upon completion of the Project for which the SPV shall either make the payment in cash or transfer equivalent value of the 'units/apartments' in favour of the PCBDDA or its nominated parties.

The Project shall be developed by the Preferred Bidder within 6 Years and 9 Months from the Commencement Date. The Preferred Bidder shall complete the grey structure in 01 Year from the Construction Commencement Date and complete the entire construction/finishing in 02 Years from the Construction Commencement Date. In any event, the Preferred Bidder shall complete the development of the Project within the Required Project Completion Date (as defined in the JV Agreement).

PROJECT TERM AND PARTIES

1 Parties

The JV Agreement establishes the rights and obligations of both PCBDDA and the Developer and will be signed between PCBDDA and the Developer.

2 Term

The term of the JV Agreement will, unless specified otherwise in the JV Agreement, commence from the Signing Date and will continue until the end of the Contract Period (the “**Termination Date**”) which will include an approximate construction period of 07 Years of construction period divided into 12 months for grey structure and 12 months for completion of the finishing works.

3 Ownership

The Preferred Bidder shall enjoy the structures designed and built by it for the term of the JV Agreement. The Preferred Bidder further enjoys the commercial property rights for additional revenue, as described in the JV Agreement.

4 Project Scope

The Preferred Bidder will be required to undertake the works set out in Schedule H (*Scope of Work*).

5 Implementation Strategy

- (a) The Preferred Bidder shall be responsible for developing and implementing the financing structure for the Project including the financing and commercial arrangements for the design, construction, sale and operations and maintenance work in accordance with the requirements of the Request for Proposal.
- (b) The Preferred Bidder shall form the SPV for the implementation of the Project. The Preferred Bidder shall maintain its shareholding in the SPV as communicated through the Consortium Agreement as part of its Proposal in accordance with the requirements of the JV Agreement.
- (c) The Project shall be financed by a combination of customer advances, Developer’s equity / commercial loan.
- (d) PCBDDA shall not provide any financial support or sovereign guarantees. Additionally, the PCBDDA shall not be responsible for providing any collateral in order to achieve financial close. Financial close will be the responsibility of the Developer.
- (e) The project is structured on the combination of lease rentals and a fixed payment (or transfer of equivalent value of the finished units/inventory/apartments) for transfer of title of the Land upon completion of the Project. The Developer will be entitled to and shall be responsible to collect revenues through sub-leasing/allotments and or sale of the plots/apartments/units in accordance with the JV Agreement.
- (f) Developer will be required to pay PCBDDA the price of Land in two components (“**PCBDDA Payments**”):
 - (i) first; the monthly lease rentals during the construction period soon after commencement of the construction,
 - (ii) second; lump-sum cash payment for the transfer of title of Land in the name of SPV upon completion of the Project, or equivalent value in in terms of share and or transfer a percentage of the inventory/revenue upon completion of the project or when the sale proceeds shall commence (whichever is earlier).

The minimum PV of (i) and (ii) shall not be less than the base price of PKR 6,500,000,000 PKR (Six Billion, Five Hundred Million).

- (g) The Developer shall establish an escrow account with an escrow bank in which the revenue collections from the sale of units/apartments/houses will be deposited. The revenue amount shall be deposited in the escrow account by the Developer until such time that the Developer has contributed his share of the capital/equity committed for the Project, in accordance with the JV Agreement.

6 Initial funding commitment

The Developer shall as part of the JV Agreement be required to ensure that a minimum 20 percent (%) of the Grey Structure Cost is deposited in the escrow account established under the JV Agreement on account of advance payments for the construction works commitments confirmed by the Preferred Bidder as a part of the Proposal within six (6) months from the Effective Date.

7 Final Payment for the Land

The Developer shall pay final payment of the Land upon completion of the Project or transfer/ hand-over the [pre-agreed number of the inventory/structures representing the value of outstanding payment of the Land] to the PCBDDA in a good working condition as specified in the JV Agreement without any further compensation to the Developer at the time of such transfer. These structures are subject to an inspection and correction process in order to ensure that they are handed over in accordance with the terms and conditions set out in the JV Agreement.

8 Allocation of Risks and Responsibilities

All risks and obligations of PCBDDA and the Preferred Bidder shall be in accordance with the JV Agreement and the Bidder shall be deemed to have full and complete understanding of the risks relating to the Project and their allocation, as set out in the JV Agreement.

9 Specific Taxation Framework for the Developer

The Developer shall be liable to pay federal, provincial and local taxes, as they exist on the day on which the relevant Bidder is appointed as a Preferred Bidder.

10 Environmental Requirements and Procedures

The Developer shall be responsible to carry out a detailed environment impact assessment study and obtain the required approvals from Punjab Environmental Protection Agency as required under the Applicable Laws of Islamic Republic of Pakistan which include but are not limited to the Punjab Environmental Protection Act 2023 and rules promulgated thereunder.

11 Land Allocation, Lease and Sub-Lease

- (a) The PCBDDA shall enter into a master lease agreement with the Developer to lease land for construction purposes and to transfer title of the Land by PCBDDA in the name of SPV upon completion of the Project and receipt of final payment of the Land as per the terms more fully described in the JV Agreement.

(b) The Developer shall commence the marketing activities from the Signing Date. However, the Developer shall launch sales of [units] subsequent to the later of [six (6) months after the commencement of the project construction or upon completion of [twenty five percent (25%)] of the project works.

(c) The Developer shall have flexibility in proposing a sales launch plan. However, the sales plan should have the following components:

Sales Launch Plan

1. Pre-Launch Phase (2-3 Months Prior)

- **Market Research and Analysis:**
 - Conduct a detailed market analysis to understand target demographics, competition, and demand.
 - Identify key selling points and unique value propositions of the property.
- **Branding and Positioning:**
 - Develop a strong brand identity for the project, including name, logo, and tagline.
 - Create a compelling brand story that resonates with potential buyers.
- **Sales Collateral Preparation:**
 - Develop high-quality marketing materials: brochures, floor plans, 3D renderings, and virtual tours.
 - Create a dedicated project website and social media profiles.
 - Prepare a comprehensive sales kit for the sales team, including FAQs, pricing sheets, and objection handling guides.
- **Digital Marketing Strategy:**
 - Launch a teaser campaign on social media to create buzz and curiosity.
 - Set up an email marketing campaign targeting potential buyers and investors.
 - Optimize the project website for search engines (SEO) to increase visibility.
- **Sales Team Training:**
 - Train the sales team on the project details, pricing strategies, and objection handling.
 - Conduct role-playing sessions to prepare for buyer interactions.

2. Launch Phase (1-2 Months Prior)

- **Launch Event Planning:**
 - Plan an exclusive launch event for VIP clients, brokers, and media.
 - Arrange for a soft launch to gather feedback from a select group of potential buyers.
 - Organize virtual and in-person tours to showcase the property.
- **Advertising and Media Outreach:**

- Launch a full-scale advertising campaign across digital, print, and outdoor media.
- Engage with local real estate bloggers and influencers for reviews and mentions.
- Send out press releases to media outlets to announce the project launch.
- **Lead Generation and Management:**
 - Implement a lead tracking system to capture and manage inquiries.
 - Set up a CRM system to manage and nurture leads throughout the sales process.
 - Offer early-bird discounts or incentives to encourage pre-bookings.
- **Community Engagement:**
 - Host webinars and Q&A sessions for potential buyers.
 - Engage with the local community through sponsorships and events.

3. Post-Launch Phase (Ongoing)

- **Follow-Up Campaigns:**
 - Send personalized follow-up emails and calls to all leads.
 - Provide limited time offers or exclusive deals to encourage conversions.
 - Regularly update buyers on the project's progress and milestones.
- **Continued Marketing Efforts:**
 - Maintain a consistent online presence through regular social media updates and content creation.
 - Run targeted digital ads to reach a broader audience and drive more leads.
 - Keep the project website updated with new content, testimonials, and news.
- **Customer Relationship Management:**
 - Establish a strong post-sale customer service team to address buyer queries.
 - Organize community-building events to foster relationships among residents.
 - Gather feedback from buyers and use it to improve future projects.
- **Sales Performance Review:**
 - Analyze sales data to assess the effectiveness of the launch plan.
 - Adjust marketing and sales strategies based on performance metrics.
 - Prepare a final report to summarize the launch outcomes and lessons learned.

(d) The total period allowed to the Developer for implementing the sales launch plan and receiving of sales monies for the [units/apartments] is [five (5)] years from the Effective Date.

12 Relocation of Utilities

The Developer shall be required to identify any utilities at the Project Site and provide the re-location plan in accordance with the requirement of the JV Agreement.

13 Utility Provisions

- (a) Gas Supply and Electricity: It shall be the obligation of PCBDDA to provide gas and electricity at the Project Site (as provided in the JV Agreement) on or prior to the Scheduled Completion Date. In the event the Developer wishes to procure gas and electricity, it shall notify such intention one (1) month from the Signing Date and shall ensure that utility agreements in respect of supply of gas and electricity are executed with the respective utility providers within 36 months from the Signing Date.
- (b) Water Supply: PCBDDA shall provide water supply at the Project Site (as provided in the JV Agreement) on or prior to the Scheduled Completion Date.

FOR REFERENCE ONLY

SCHEDULE E- EVALUATION CRITERIA AND SCORING SYSTEM

EVALUATION CRITERIA

The Evaluation Criteria of the Technical Proposal and Financial Proposal shall be held under the Single Stage Two Envelope Method. The total score of the technical and financial evaluation shall be one hundred (100).

1 EVALUATION OF TECHNICAL PROPOSALS

- 1.1 A public Technical Proposal opening shall be held at the time, date and venue which shall be communicated to all Bidders.
- 1.2 The Technical Proposal will be evaluated on the basis of *Single Stage Two Envelope Bidding Procedure*.
- 1.3 Technical Proposal of Bidders meeting the Basic Eligibility Criteria shall be considered and reviewed.
- 1.4 The Bidders securing at least [seventy-five (75)] marks or more shall qualify for further consideration and shall be ranked from highest to lowest on the basis of their technical score ("TS"). Financial Proposals of those Bidders who secure less than seventy-five (75) marks shall be returned to the respective Bidders without any consideration.
- 1.5 Bid Evaluation Committee shall attribute a technical score to responsive Technical Proposals in accordance with Section below.
- 1.6 Technical score shall be calculated as follows:

Serial No.	Criteria	Weightage/ Marks
A.	Financial Capability <ul style="list-style-type: none">- Net worth- Cash and funding lines- Project financed and implementation capability	35%
B.	Technical Capability <ul style="list-style-type: none">- Real Estate / Infrastructure Development experience- Team composition- O&M experience	45%
C.	Business Plan Evaluation <ul style="list-style-type: none">- Concept Plan & Design- Marketing Plan- O&M Plan-	20%
D.	Total	100%

The detailed Evaluation criteria is set out in this Schedule E (*Evaluation Criteria and Scoring System*) below.

2 EVALUATION OF FINANCIAL PROPOSALS

- 2.1 Financial Proposal opening shall be held at the time, date and venue which shall be communicated to all technically qualified Bidder(s).
- 2.2 The Bid Security shall be checked first. In the event the Bid Security is not submitted along with the Financial Proposal in the same sealed envelope, such proposal(s) shall be rejected without any consideration.
- 2.3 The Financial Proposals shall also be checked for arithmetic errors. Financial scores shall be computed on the basis of criteria provided in this Schedule E (*Evaluation Criteria and Scoring System*).
- 2.4 The Financial Proposal(s) shall be evaluated against the criteria set out in this Request for Proposal. The Bidder who quotes the highest present value (PV) of PCBDDA Payments be considered as the Preferred Bidder.

This PV shall be computed at a discount rate of [ten percent (10%)] over a period of 07 years on the PCBDDA Payments. The minimum PV amount of the PCBDDA Payments payable by any Bidder shall be above PKR Six Billion, Five Hundred Million (6,500,000,000)

- 2.5 The Preferred Bidder shall be issued a letter of award containing invitation for contract negotiation. Any factor having a bearing on the information provided in response to this Request for Proposal shall not be subject to negotiations.

3 TECHNICAL EVALUATION CRITERIA

The Technical Proposal shall be evaluated on the basis of the criteria given below:

<p>A) Financial Capability</p> <p>A – 1) Net worth</p> <p>The Bidder must have a tangible net worth of not less than PKR 3,000,000,000/-.</p> <p>Net worth of PKR 3,000,000,000/- will be awarded 10 marks.</p> <p>One (01) mark for each increment of PKR 500,000,000/- above the minimum will be awarded till the maximum of twenty (20) marks is reached.</p> <p>In case of a Consortium, only such members of the Consortium that are proposed to be shareholders of the SPV as per the consortium agreement shall be considered for this criterion, and in the evaluation of the same they must collectively meet the criterion and the lead member must have a minimum Net worth of PKR 3,000,000,000/-.</p> <p><i>(Note: Current exchange rate of PKR 280 per US Dollar or current exchange rate of other currencies prevailing at the bid submission date will be used to convert foreign currency to PKR)</i></p>	<p>Maximum Points – 35</p> <p>Maximum Points – 20</p>
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<p>A – 2) Cash and funding lines</p> <p>The Bidder must have a minimum cash, short term or liquid investments and funding lines of which at least thirty (30) percent of the aggregate number should be demonstrated through cash and short-term investments.</p> <p>Cash, short term or liquid investments and funding lines of not less than PKR 3,500,000,000/- will be awarded 10 points.</p> <p>A – 3) Project financing and implementation capability</p> <p>The Bidders must have completed project financing of different projects during the last 10 years. Projects presented by the bidders to qualify in this category shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. Successfully financed & implemented real estate / infrastructure project of a minimum project cost of PKR 5,000,000,000/- will be considered for evaluation. 2. Bidder or the Consortium Member has minimum twenty percent (20%) equity stake in the projects offered for evaluation. <p>Projects complying with the above requirements will achieve the score of minimum three (03) marks. For projects having cost in excess of PKR 5,000,000,000/-, an incremental (01) mark will be awarded for every PKR 500,000,000/- increase in project cost, up to a maximum of five (5) marks.</p> <p>Format for financing & implementation capability evaluation provided with the Request for Proposal to be duly certified by an audit firm / lender / financial institution.</p> <p><i>(Note: Historical exchange rate prevailing on completion of assignment/project will be used to convert foreign currency to PKR)</i></p>	<p>Maximum Points – 10</p> <p>Maximum Points - 05</p>
<p>B) Technical Capability</p> <p>B – 1) Past Performance and Current Commitments</p> <p>B – 1.1) Completed Projects - Projects of similar nature and complexity (with cost of at least 30% of estimated project cost) completed over last 10 years:</p> <p>(5 marks for each Project up to 2 Projects)</p> <p>(2.5 marks for each additional Project until max marks of 15 marks achieved)</p> <p>Bidders must provide Completion Certificates / Taking Over Certificates / Substantial Completion Certificate for projects mentioned in the submitted proposal. The certificates must</p>	<p>Maximum Points – 45</p> <p>Maximum Points – 15</p>

have been issued by the sponsors of the projects. No marks if the above evidences are not attached.

• **(No marks for less than 2 projects)**

B – 1.2) Projects in hand - Projects of similar nature and complexity (with cost of at least 50% of estimated project cost) in hand:

(3.5 marks for each Project up to 2 Projects)

(1.5 marks for each additional Project until max marks of 10 marks achieved)

Bidders must provide Acceptance letter/Award letter for projects mentioned issued by the sponsors of the projects. No marks if the above evidences are not attached.

• **(No marks for less than 2 projects)**

(Note: Historical exchange rate prevailing on completion of assignment/project will be used to convert foreign currency to PKR)

B – 2) Equipment

To ensure bidders are adequately equipped to handle real estate/infrastructure projects, they must provide evidence of owning the following equipment:

- Computerized Concrete Batching Plant 30 CuM/Hr capacity (02 Nos.) **(2 Mark)**
- Transit Mixer 6CuM capacity (10 Nos.) **(0.25 Mark)**
- Concrete Truck Placing Boom (02 Nos.) **(0.5 Mark)**
- Mechanical/ Hydraulic Crane at least 20 Ton (04 Nos.) **(0.5 Mark)**
- Static Pump (02 Nos.) **(0.5 Mark)**
- Dumpers (06 Nos.) **(0.25 Mark)**
- Loaders (02 Nos.) **(0.25 Mark)**
- Total Station for Surveying (02 Nos.) **(0.25 Mark)**
- Diesel Generator 15 – 20 kVA (06 Nos.) **(0.5 Mark)**
- Excavator (06 Nos.) **(0.25 Mark)**
- Pile Boring Rig Machine (02 Nos.) **(0.25 Mark)**
- Tower Crane (02 Nos.) **(0.25 Mark)**
- Tractor Trolley (06 Nos.) **(0.25 Mark)**

No marks if the manufacturing certificate / Purchase certificate / Leased / Rented / ownership proof is not attached. Capacity of the equipment / Plant should be clearly mentioned.

Proportionate marking if equipment is less than the minimum required number.

Maximum Points – 10

Maximum Points – 5

B – 3) O&M Experience

Bidder must have direct experience in providing O&M services for real estate / infrastructure projects. The following services would qualify as relevant direct O&M experience:

O&M experience with the mix of following activities:

- i. Provision of electricity and/or other utilities;
- ii. Solid waste management;
- iii. Effluent management operations; and
- iv. Operation of common facilities

(5 marks)

Provision of utilities (such as electricity, water, gas, telecommunication amongst others) **(2 Marks per project – max of two projects)**

Carried out solid waste management and collection, and operations of waste water / effluent treatment. **(1 Mark)**

Operated and maintained other services such as recreational/gym etc: **(2 Marks per project – max of projects)**

B – 4) Team Composition

Project Manager – (2.5 Mark)

Master's degree in relevant field and must be PMP certified, having at least 25 years overall experience out of which 15 years relevant experience.

Marketing / Business development – Team Lead: (1.5 Mark)

Must have Master's degree in relevant field with at least 15 years of overall experience & minimum 10 years relevant experience.

Finance – Team Lead (1.5 Mark)

Must have Master's degree in relevant field with at least 15 years of overall experience & minimum 10 years relevant experience.

Civil – Team Lead (1.5 Mark)

Professional Civil Engineer registered with PEC each having at least 20 years of overall experience & minimum 15 years relevant experience.

Civil Engineers – Team Lead (02 Nos : 0.5 Mark Each)

Professional Civil Engineer registered with PEC each having at least 15 years of overall experience & minimum 10 years relevant experience.

Maximum Points - 5

Maximum Points - 10

Environmental Expert – (1 Mark)

Must have Master’s degree in relevant field with at-least 15 years of overall experience & minimum 10 years relevant experience.

Expert Electrical / MEP Engineer – (1 Mark)

Expert Electrical / MEP Engineer registered with PEC with at least 15 years of overall experience & minimum 10 years relevant experience.

CVs in the manner and form format provided in this Request for Proposal would be provided for these experts who should either be employees of the Bidder/any member of the Consortium or be associated with them through binding contracts.

Evidence of each Team Members Personnel Qualification & Experience to be verified through attached Degrees / PEC verification / CV’s / Affidavits / Employment Certificate / Certifications etc.

**C) Business Plan Evaluation
C – 1) Concept Plan & Design**

The concept plan and design should include the following:

- Project design – 2 marks
- Project plan for grey structure and finishing – 2 marks
- Innovative features – 2 marks
- Environmental considerations – 2 marks
- Development strategy – 1 mark

Marks would be awarded on the basis of value addition provided in the business plan and the rationale behind the plan, together with demonstration of the implementation team’s past record on delivering on such concepts.

C – 2) Sales/Marketing Plan

The Bidder to demonstrate the following aspects:

- i. Marketing strategy; - 4 Marks
- ii. Pricing strategy; - 1 Mark
- iii. Allotments plan/sub-lease; and - 2 Mark
- iv. Synchronization of the marketing and development plan. – 1 Mark

**Maximum Points – 20
Maximum Points – 09**

Maximum Points – 08

C – 3) O&M Plan

The Bidder will be required to provide an O&M Plan for the operation and maintenance of the build facilities.

Maximum Points - 03

FOR REFERENCE ONLY

1 General

- 1.1 Except for foreign entities each Bidder must possess valid registration certificate from Federal Board of Revenue and Punjab Revenue Board (where applicable). In case of a Consortium, all members of a Consortium are required to comply with this requirement. In case of foreign entities, such Bidder should submit tax certificate of its respective country duly attested by a Pakistani Consulate.
- 1.2 The Bidder (and in case of a Consortium, each member of such Consortium) shall submit valid tax returns for the last three (3) years.
- 1.3 In the event the Bidder or any member of the Consortium is a government owned or controlled enterprise, such Bidder must establish that it is legally and financially autonomous entity. For such purpose, the Bidder or the relevant member of the Consortium shall submit an affidavit in the manner and form provided in Schedule G (Bid Documents), confirming that it is legally and financially autonomous body.
- 1.4 On the members of the Consortium should have a registration with Pakistan Engineering Council & registered in PCATP as Professional Architect is mandatory. In case of a Consortium, the PEC registration of civil engineering firm/member of consortium shall be required. Valid PEC registration certificates to be attached. At least one (1) member of the consortium should be a CA (no limit) construction firm. The consortium should also identify a consultant firm for design as per Request for Proposal requirement (to satisfy this condition, a contractual arrangement in the form of memorandum of understanding or equivalent shall be submitted).
- 1.5 The Bidder is not Black Listed by any government entity. An affidavit in the manner and form provided in Annexure A - Schedule G (Bid Documents) confirming that the Bidder is not blacklisted by government entity shall be submitted with Technical Proposal. In case of a Consortium, each member of such Consortium shall submit such affidavit.
- 1.6 There is no conflict of interest of the Bidder and in case of a Consortium, each member of such Consortium.
- 1.7 All pending litigation against the Bidder or any member of the Consortium, shall in total not represent more than fifty percent (50%) of the respective net worth, nor shall there be, any litigation that prevents the Bidder or any member of the Consortium to perform its obligations under the JV Agreement. The Bidder and in case of a Consortium, all members of such Consortium shall provide details of all pending litigation in the form and manner provided in Schedule G (Bid Documents). In the event there is no pending litigation, such Bidder/member of a Consortium shall submit an affidavit in the form and manner provided in Annexure A - Schedule G (Bid Documents) confirming that there is no pending litigation by or against such Bidder/member of the Consortium. In case of a foreign entity, the affidavit should be notarized by a notary public and attested by a Pakistani Consulate.

2 Financial Situation/ Historical Financial Performance

2.1 Net Worth

- (a) Current Net Worth of the Bidder shall be PKR 15 billion (excluding any surplus on revaluation) as presented in the most recent financial statements / wealth statement.
- (b) The Bidder/each member of the Consortium shall submit audited financial statements for the last three (3) years. For the avoidance of doubt, the audited financial statements of the latest financial year shall be evaluated to determine the net worth of the Bidder.
- (c) In case of a Consortium, the members of the Consortium collectively as per weighted average must meet the criterion. The proposed shareholding ratios as provided in the Consortium Agreement will be used as weights in calculating the weighted average.

2.2 Average Annual Turnover or Liquid Investments

- (a) The Bidder shall have an average annual turnover of PKR 3500 million for last three (03) years.

OR

- (b) The Bidder shall have liquid investments in the form of Short-term investment / marketable securities / cash or cash equivalents amounting to PKR 3,500,000,000/- (the Bidder/each member of the Consortium shall submit audited financial statements for the last three (3) years to demonstrate their capability for this criteria).
- (c) In case of a Consortium, the members of the Consortium collectively as per weighted average must meet the criterion. The proposed shareholding ratios as provided in the Consortium Agreement will be used as weights in calculating the weighted average.

3 History of Non-Performing Contracts

- 3.1 Any non-performance of a contract by the Bidder should not have occurred in the last five (5) years prior to Proposal Submission Deadline based on all information on fully settled disputes or litigation. A fully settled dispute or litigation is one that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Bidders have been exhausted.

- 3.2 The Bidders shall provide details of such non-performance of contracts or the Bidder (in case of Consortium, the lead member of the Consortium) shall submit an affidavit in the form and manner provided in Annexure A - Schedule G (Bid Documents).

- 3.3 The past performance of the Bidders on all completed and ongoing projects may also be checked in coordination with other government departments.

FOR REFERENCE ONLY

ANNEXURE A – AFFIDAVIT

NOTES FOR EXECUTION OF AFFIDAVIT

- *The mode of execution of the Affidavit should be in accordance with the procedure, if any, laid down by the Applicable Laws of Islamic Republic of Pakistan.*
- *Also, wherever required, the Bidder (and in case of the Consortium, each member of the Consortium, wherever required) should submit for verification the extract of the charter documents and documents such as a resolution / power of attorney in favour of the person executing this Affidavit for the delegation of power hereunder on behalf of the Bidder.*
- *This Affidavit shall be notarised with the Notary Public.*
- *For an Affidavit executed and issued overseas, the document will also have to be legalised by the Pakistani Embassy and notarised in the jurisdiction where the Affidavit is being issued.*

Please find below the form and substance of the Affidavit.

AFFIDAVIT

Date: _____

[•]

[•]

[Address]

We, [insert name of Bidder] hereby represent and warrant that, as of the date of this Affidavit [name of Bidder / lead member of consortium / JV], and each member of our consortium (if applicable):

- are not in bankruptcy or liquidation proceedings;
- are not blacklisted by any governmental or non-governmental department / agency;
- have not been convicted of, fraud, corruption, collusion or money laundering;
- are not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect our capability to comply with the obligations under the JV Agreement;

- (e) are legally and financially autonomous entity;
- (f) there is no pending litigation which represents more than fifty percent (50%) of our net worth;
- (g) are not under any non-performance of a contract within last five (5) years of the Proposal Submission Deadline; and
- (h) have not failed to sign a contract with any procuring authority following award.

We have also attached proof of registration of each member, if applicable, from the relevant statutory authority.

Yours sincerely,

Signature of Authorized Signatory: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

FOR REFERENCE ONLY

ANNEXURE B – BID SECURITY

[insert date]

To:

The Punjab Central Business District Development Authority, [Insert Address] (the **Beneficiary**)

Guarantee No: _____ (the **Guarantee**)

Date of Issue: _____

Date of Expiry: _____

Guarantee Amount: _____

Name of Guarantor: _____

Name of Principal: _____

We, [●], being the Guarantee issuing bank (the **Issuing Bank**) understand that the following party / parties have responded to the 'Request for Proposal' dated [●] ("**RFP**") issued by the Punjab Central Business District Development Authority (the "**Beneficiary**"), in relation to the 'Name of the project' Project (as amended and / or supplemented from time to time), by submitting their respective formal proposals / bids:

[Name of the Bidder], a [Insert legal status] existing under the laws of [Insert Country] having its [registered office OR place of business] located at [Insert address], (the **Bidder**, which expression includes its successors, assignees and transferees).

Further, We, the Issuing Bank, understand that pursuant to the RFP, the Bidder is required to provide the Beneficiary, a bid security in the form of a bank guarantee equal to PKR [●] and issued by a scheduled commercial bank operating in Pakistan (with a minimum credit rating of at least 'A-' as rated by JCR VIS or an equivalent rating by PACRA).

The above premised, We, the **Issuing Bank**, hereby undertake irrevocably and unconditionally on demand to pay to the Beneficiary, without any notice, reference, recourse, evidence, document in support of the demand, the validity, proprietary or legality of the said demand to the Bidder or to any other entity or without any recourse or reference to the RFP or any other document, agreement, instrument or deed, any sum or sums (or any part thereof) equivalent in aggregate up to but not exceeding a maximum amount of:

PKR [●]- (Pakistani Rupees [●])

(the **Guaranteed Amount**)

immediately, provided however not later than one (1) business day from the date of receipt of the Beneficiary's first written demand (the **Demand**) at the Issuing Bank's offices located at [●], such Demand referring to this Guarantee and stating the amounts demanded.

We, the Issuing Bank, shall unconditionally honour a Demand hereunder made in compliance with this Guarantee and immediately on the date of receipt of your Demand, as stated earlier, and shall transfer the amount specified in the Demand to the bank account, as notified in the Demand, in immediately available and freely transferable funds in the currency of this Guarantee, free and clear of and without any set-off or deduction for or on account of any

present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomsoever imposed.

This Guarantee shall come into force and shall become automatically effective upon the submission of the proposal by the Guarantor to the Beneficiary in response to the RFP.

After having come into force, this Guarantee and our obligations hereunder will expire on the earlier of:

- (i) One hundred and eighteen (118) days from the date of submission of the proposal by the Guarantor to the Beneficiary in response to the RFP; or
- (ii) when the aggregate of all payments made by us under this Guarantee equals the Guaranteed Amount.

Upon expiry, this Guarantee shall be returned to the Guarantor in terms of the conditions stipulated under the RFP. Multiple demands may be made by the Beneficiary under this Guarantee but our aggregate liability will be restricted up to the Guaranteed Amount.

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

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

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

The Beneficiary may not assign / transfer or cause or permit to be assigned or transferred any of their rights, interests and benefits of this Guarantee without our prior written consent, which consent shall not be unreasonably withheld or delayed.

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

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

This Guarantee and all rights and obligations arising from this Guarantee shall be governed and construed in all respects in accordance with the laws of Pakistan. The courts of Pakistan shall have exclusive jurisdiction in respect of any dispute relating to any matter contained herein.

The issuance of this Guarantee is permitted according to the Pakistani law and the laws of the jurisdiction where this Guarantee is issued.

Authorized signatory:

Date:

Place:

Authorized signatory:

Date:

Place:

FOR REFERENCE ONLY

ANNEXURE C – DECLARATION

We the undersigned return this Request for Proposal submission, the Technical Proposal and its appendices and acknowledge that we are bound by its content.

We confirm that we are fully conversant with the requirements of the Punjab Central Business District Development Authority (“PBCDDA”) and the subject matter of the procurement exercise as set out in this Request for Proposal.

By submitting a proposal, we represent and warrant to the PCBDDA that our proposal has been prepared, relies and has been submitted solely on investigations, examinations, knowledge, analyses, interpretation, information, opinions, conclusions, judgments, and assessments independently undertaken, formulated, obtained, and verified by us and our team members and not in any way upon any action or omission, the scope, timeliness, accuracy, completeness, relevance, or suitability of any Information. We further warrant that we understand all aspects of this Request for Proposal and its governing rules including but not limited to the Evaluation Criteria laid down in the Request for Proposal.

We warrant that the details of this submission in response to the Request for Proposal have not been communicated to any other person or adjusted in accordance with any agreement or arrangement with any other person or organization.

We acknowledge that the PBCDDA is not bound to proceed with the procurement exercise and reserves the right at its absolute discretion to accept or not accept any proposal submitted and thereafter invite any Preferred Bidder to enter into a JV Agreement for the delivery of the Project.

We certify that we have full power and authority to submit this response to the Request for Proposal and that this is a bona fide submission in response to the Request for Proposal.

Signed for and on behalf of (Bidder/ consortium member): _____
Signature: _____
Position: _____
Name: _____
Address: _____
Power of attorney/Board Resolution attached: (YES / NO): _____
Date: _____

(Please return this declaration on your company's letterhead.)

WITNESSES

WITNESS I

WITNESS II

.....
NAME: [INSERT]

.....
NAME: [INSERT]

PASSPORT NO./CNIC NO.:

PASSPORT NO./CNIC NO.: [INSERT]

FOR REFERENCE ONLY

ANNEXURE E – BOARD RESOLUTION

(to be printed on the letterhead of the respective entity)

EXTRACTS OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF [INSERT NAME] (THE “COMPANY”) HELD ON [INSERT DATE] AT [PLEASE INSERT THE PLACE AT WHICH THE MEETING WAS HELD]

AUTHORIZATION OF THE COMPANY TO PARTICIPATE IN THE BIDDING PROCESS PURSUANT TO THE REQUEST FOR PROPOSAL DATED [INSERT DATE]

For individual Bidder

“IT IS HEREBY UNANIMOUSLY RESOLVED that the Company be and is hereby authorised to participate in the bidding process pursuant to the Request for Proposal dated [insert date] issued by [insert name of the authority] in respect of designing, financing, construction, operation and maintenance of [name of project].”

“IT IS FURTHER RESOLVED that Mr. [insert name] S/o [insert name] holding Passport Number/CNIC No. [insert number] as the [insert designation] of the Company (“**Authorized Representative**”), be and is hereby authorised to sign and execute all forms/ documents, letters, applications and to do all needful acts in order to complete all procedural and legal formalities incidental and ancillary thereto.

“IT IS FURTHER RESOLVED that any and all actions of the Authorized Representative pursuant to, or in furtherance of the intent and purposes of the foregoing resolution, are hereby in all respects adopted, approved, confirmed and ratified as the valid and subsisting acts of this Company.

For member of a Consortium

“IT IS HEREBY UNANIMOUSLY RESOLVED that the Company be and is hereby authorised to participate in the bidding process pursuant to the Request for Proposal dated [insert date] issued by [insert name of the authority] in respect of designing, financing, construction, operation and maintenance of [name of project] as a part of the consortium with [insert names of the consortium members].”

“IT IS FURTHER RESOLVED that Mr. [insert name] S/o [insert name] holding Passport Number/CNIC No. [insert number] (“**Authorized Representative**”), be and is hereby authorised to sign and execute all forms/ documents, letters, applications and to do all needful acts in order to complete all procedural and legal formalities incidental and ancillary thereto.

“IT IS FURTHER RESOLVED that any and all actions of the Authorized Representative pursuant to, or in furtherance of the intent and purposes of the foregoing resolution, are hereby in all respects adopted, approved, confirmed and ratified as the valid and subsisting acts of this Company.

Director

Chief Executive Officer

1 Brief Background

The document addresses the key development prospective of specified plots, by providing fundamental by-laws and guidelines which need to be addressed if the success of the development is to be fully realized. It also gives a unique possibility to create areas with different characters within the master plan leading towards potential identifiable spaces, each having a character of its own.

The site of Walton CBD Development Phase 2B has a central location next to the main junction of Lahore, making it a financial catalyst center in the city in the close relation to its surroundings.

The building mass provided is only indicative for understanding the prospects of the plot and to ensure that the developer understands the requirements needed to be submitted in the initial phase to the PCBDDA committee for approval and evaluation.

2 Site Analysis

2.1 General Information

Plot No.	Type	Area in Kanals	FAR	Height
Plot 06/ 2A -01	Mixed Use	14 Kanal	15	418

DOWNTOWN-1

- Accessed from Main Boulevard Gulberg, Lahore
- Mixed use
- High Rise
- Building Character: As per guidelines
- Size: 14 Kanal Approx.

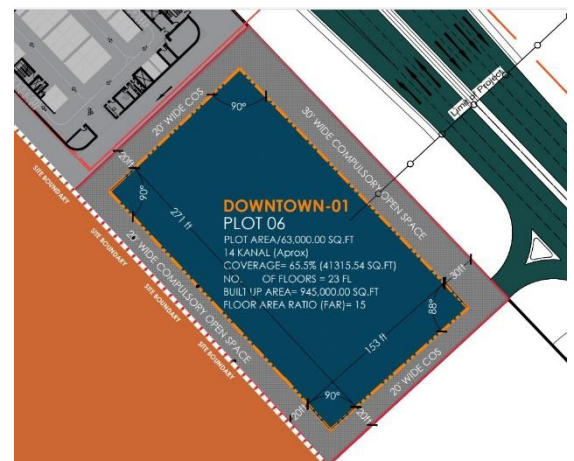
2.2 Site Location

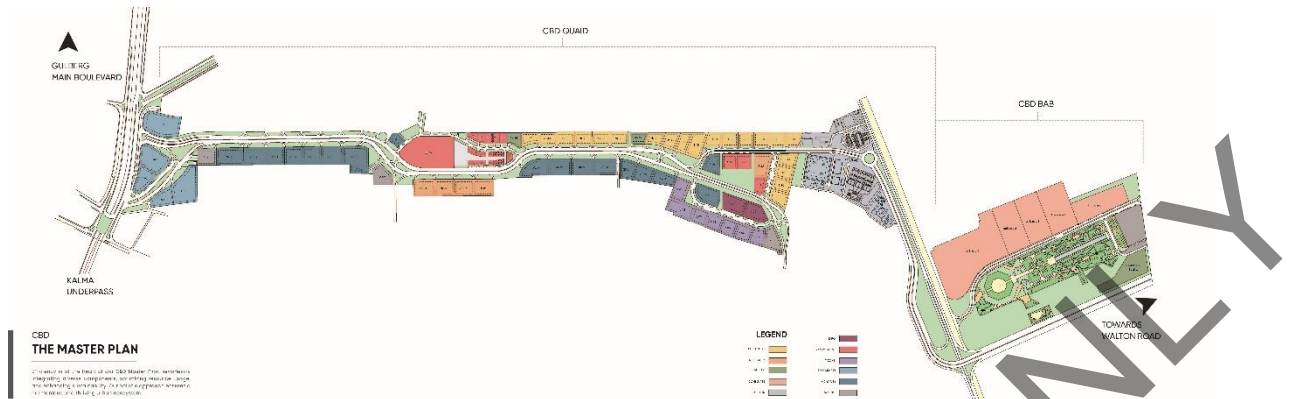
CBD Quaid District - Downtown

2.3 Site Features and Surrounding Security

- Accessed from Main Boulevard Gulberg, Lahore
- Commercial
- High Rise
- Building Character: As per guidelines
- Size: 14 Kanal Approx.

3 Concept Master Plan





4 Developer's Scope of Work

4.1 **Plot Area:** total land area of the plot

4.2 **Allowable Usage:** MIX USE - is a type that blends residential, commercial, cultural, institutional, or entertainment spaces under one envelope, all functions integrating with each other.

4.3 **FAR (Floor Area Ratio):** is the ratio of a building's total floor area to the size of the piece of land upon which it is built.

4.4 **COS (Compulsory Open Space):** the minimum open space permitted and approved to be kept as such while constructing a building or buildings by the local Planning Authority, herein as PCBDDA.

4.5 **BUA (Built Up Area):** Service area, ducts, life shafts, emergency stair cases wells, basement and podium car parking, service floors within the building envelope will not be included in the FAR built up area.

4.6 DESIGN REGULATIONS

- **MIX-USE**

Mix Use is a type that blends residential, commercial, cultural, institutional, or entertainment spaces under one envelope, all functions integrating with each other.

- **COS (Setback)**

- o All buildings that are facing main roads must therefore be have 30 ft of set back from plot line out of which 10 ft is reserved for the public services and fire protection area. And 20 ft COS from the sides plot boundary and/or as defined in the prevailing PCBDDA building regulations.
- o COS can be used for parallel parking services access, roads, drop offs, fire hydrant and land scape.

- **BUA (Built Up Area)**

- o Service floors/area, utility riser/ducts, lift shafts, basement parking and podium parking, within the building envelope will not be included in the built up area as per FAR.
- o Balcony projections enclosed by three sides (semi covered) will be included in the build up area as per FAR.
- o Balcony projections enclosed by two sides up to 4 feet will not be included in the FAR build up area.

- **Height Regulation**

- o This document suggests the maximum height at 418 ft. as per design probabilities.

- The allowable height of this area as per Civil Aviation Authority is 499 ft.
- Minimum height will be determined by maximum ground coverage permitted by the COS/set-backs
- **Density Regulation**
 - The area density of this plot is defined with fixed FAR and total gross built up area permitted.
 - The plot coverage and usage is flexible.
 - The area defined for basements of this plot will be followed as provided by the Authority.
- **Car Parking**
 - The parking arrangements as defined in prevailing PCBDDA building regulations will be applicable. In general 1 car for 1000 sq.ft. must be provided.
- **Edge Condition**
 - Building plots facing the main road must create a sharply defined soft landscape/green edge perimeter of the plot boundaries.

4.7 Master Planning and Design - Preparatory Works

(a) Topographic Surveys

Although previously done, the topographical surveys comprising level, contour and salient physical feature of the site will have to be carried out by the successful bidder at his own cost.

(b) Geo-Technical Investigations

Geo-Technical/ sub soil Investigations including soil classification, safe bearing capacity, subgrade CBR and level of ground water table are to be carried by the selected bidder at his own cost and risk.

(c) Environment Management and Monitoring Plan (EMMP)

Based on Environmental Study of the Project (IEE or EIA, as may be warranted as per governing environmental laws in the country including Punjab Environmental Act 1997, a comprehensive Environmental Management and Monitoring Plan (EMMP) is required to be executed during construction of the Project.

The Plan shall be conceived, prepared, documented and implemented by the Developer to ensure that:

- The execution of the Project does not have any detrimental effect on the environment;
- All required environmental safeguards as per governing environmental laws in the country are duly present in the execution plan;
- Any foreseeable adverse impacts are effectively mitigated through appropriate measures adopted at every stage of the works; and
- Protection and preservation of the natural environment and the eco system along the corridor are the prime considerations.

The proposed environmental management and monitoring plan shall cover all activities of construction, operation and maintenance along the entire project site during the life of Project.

The developer shall duly provide details of the scope and objectives of EMP at various stages of the project execution, operation and maintenance.

(d) **Site Clearance**

The Project Site shall be cleared of rubbish / debris of all kinds. All materials arising from site clearance shall be the property of PCBDDA and shall be disposed-off by the Developer at his own cost, as herein provided. All serviceable materials shall be temporarily stacked in separate lots at the site, at places as directed by the engineer-in-charge. These materials shall be transported to any place within Project Site and stacked properly as and where directed by the engineer-in-charge. The site clearance shall cover all the operations required in full for clearing the site and its surroundings, including providing labour, materials, tools, equipment and incidentals necessary to complete the work. It will also include handling, salvaging, piling or stacking or collecting and disposing-off cleared materials.

Proposed drain should have safe discharge carrying capacity for peak monsoon flow. All the material used for drain diversion has to be conforming to International Standard specification.

4.8 Preparation & Finalization of Master Plan

4.2.1 The preparation and finalization of a well-conceived Master Plan based on the above referred Concept Master Plan for the [name of project] falls under the scope of work of the Developer and includes but not limited to the following activities:

- Preparation of Master Plan as per prevailing development norms of master planning, town planning and building regulations and other applicable rules/regulations, including but not limited to obtaining the necessary approvals as required for the Project from various government authorities, including town planning and environmental clearance.
- Preparation of Master Plan for administration block showing location of all the buildings and facilities with room for future expansion, road layouts and proposals for complete site development infrastructure, utilities, services, roads, parking, etc.

4.9 Planning & Design of Mandatory / Critical Physical Infrastructure

The entire project components shall be planned & implemented as per good engineering practices, applicable local and international standard codes, manuals including but not limited to the following:

- (a) Punjab Building Control Authority Bye Laws
- (b) Building & Town Planning Regulations

(c) National Reference Manual – Pakistan

The planning & design of the following mandatory / critical physical infrastructure is also included in the Developer's Scope of Work:

- Water Supply Network
- Overhead & Underground Tanks for internal Water Supply
- Sewerage Network
- Storm Water Drainage Network
- Fire Fighting System
- Electrification Works including Street/Road Lighting
- Gas Supply System – MMCFD.
- Information & Communication Technology (ICT) including /Security & surveillance system
- Open Spaces / Parks – as per master plan full filling the standards of NRM.

4.10 Planning & Design of Major Buildings & Allied Facilities

Planning and design of the following major buildings and allied facilities is also included in the Developer's Scope of Work.

4.11 Construction Activities

- (a) The Developer shall undertake construction of the following mandatory / critical physical infrastructure works and major buildings and allied facilities based on the approved Master Plan and detailed designs approved by PCBDDA / other respective departments / agencies.
 - Construction of above listed Mandatory/ Critical Physical Infrastructure.
 - Construction of above listed Major Buildings & Allied Facilities.
- (b) Construction of the above works shall be as per technical specifications and other respective sections for various items of work.

4.12 Operations Management

- (a) Following construction of the above infrastructure, major buildings and allied facilities, the proposed constructed area shall become fully operational and the Developer shall be responsible to keep it fully operational as per pre-approved Operations Management Plan especially focusing on the following activities and systems:
 - Provision of Utility Services
 - Solid Waste Management including effective collection and proper disposal to designated site outside
 - Provision of Security & Surveillance
 - Road Safety and Parking Management
 - Disaster / Emergency Services Management
- (b) For hassle free facilities, dedicated on- call project management & maintenance teams will be required to provide round-the-clock services,

upholding the quality of the building and ensuring reliable support to the residents and or occupiers of building.

4.13 Maintenance Management

(a) The Developer shall be required to ensure effective maintenance management of the entire Infrastructure, Major Buildings & Allied Facilities, including but not limited to the regular upkeep and maintenance of the following mandatory / critical physical infrastructure, major buildings and allied facilities / systems:

- Mosque (if any)
- Fire Station / Emergency Response Centre – including equipment's.
- Administrative Offices
- [Compound Boundary Wall ([•] Nos. Entrance Gates]
- Retaining Wall if any
- Public Health Engineering Works including:
 - [•] MGD Water Supply Network
 - Overhead & Underground Tanks for internal Water Supply
 - Sewerage Network
 - Storm Water Drainage Network
 - Sanitary and Plumbing Systems
- Fire Fighting / Protection System
- Electrification Works / Electrical Installations including Street Lighting System
- Gas Supply System
- Telecommunication Facilities / Information & Communication Technology (ICT) applications including:
 - Security & surveillance system
 - Building Management System
 - Building Security System
 - Parking Systems including Parking terminal.
 - Open Spaces / Parks / Gardening and Landscaping

5 Design Of Buildings and Infrastructure Facilities

Following the approved Master Plan, the design of buildings and infrastructure shall be finalized in three stages including:

- Conceptual Design Phase – Pre-Bid Stage
- Preliminary Design Phase – Post Bid Stage and
- Final Design Phase

Detailed scope of activities for these three phases of design work and the submittals required at each stage are as given below:

5.1 Conceptual Design Development: Pre-bid Stage

The developer shall take into account following aspects for evolving various design concepts and systems:

- Architectural Concepts
- Layout of the Facilities.
- Energy Saving Requirements taking into consideration weather conditions, metrological, hydrological, HVAC and other suitable measures.
- Seismic conditions.
- Specification of construction materials.
- Space requirements and arrangements.
- Designing of utility services including electricity, water, gas, telephone, computer networking, and drainage disposal system.
- Preparation of layout and site plans.
- Computer aided development drawings.
- Technical specifications.
- Structural, Electrical and Mechanical Systems.
- Heating, Cooling and Ventilation System (where required).
- Disposal of sewage and solid wastes.
- Storm Water Drainage System and locate position of external storm water drains and disposal as per site conditions and Applicable Laws.
- Water supply to meet the requirements of users.
- Supply of electricity, gas and telephone system.

Submission

The Developer will submit Conceptual Design along with their bids.

5.2 Preliminary Design Phase: Post-bid Stage

The selected developer will submit the preliminary design based on the approved concept design. At this stage the developer will submit the following:

- (a) Preliminary architectural drawings and renderings outlining all the floor plans, required sections, elevations and necessary details.
- (b) Structural drawings and necessary details.
- (c) Preliminary drawings for electrical details.
- (d) Preliminary drawings for proposed sewage disposal.
- (e) Preliminary drawings showing proposed method of storm water disposal, both from the roof of buildings and landscaped portions of the site, and showing proposed routes and methods of connection to the external public storm water disposal drains.
- (f) Preliminary drawings showing proposed water supply including proposed methods of heating water. If hot water geysers are proposed, state numbers and indicate positions in drawings. The drawings should indicate size and location of proposed overhead and underground reservoirs based upon population calculations.
- (g) Preliminary drawings for landscape and surface drainage.
- (h) Preliminary drawings for HVAC and Firefighting.
- (i) Preliminary drawings for road pavement and site development works required.
- (j) Revised specifications incorporating comments, changes etc. if applicable.
- (k) Prepare standard submission drawings to obtain formal approval and necessary permission from the local building control authority (If applicable).

The calculation / requirement of each service based on indicated future plan.

Submissions

The Developer shall submit with the bid documents the architectural concept consisting of the above documents in the form of preliminary design for approval of the authority. Any changes, suggestions or recommendations made by the Client / PCBDDA will be discussed jointly and the result shall be incorporated in the final design phase.

5.3 Final Design Phase

Based on the drawings and documents prepared and approved during the design development and preliminary design phases of the project, the Developer shall prepare Final Design consisting of Computer aided construction drawings showing:

- (a) Site and location plans.
- (b) Layout plans.
- (c) Architectural Plans, Sections, Elevations, and all necessary details.
- (d) Structural plans, sections, elevations and all necessary details.
- (e) Water supply, sewerage and disposal systems.
- (f) Road Network and pavement structure.
- (g) Surface and sub-surface drainage systems including storm water disposal.
- (h) Landscape plans and details.
- (i) Electrical systems.
- (j) Mechanical systems.
- (k) Any other drawings deemed necessary for the completion and working of building for its intended purpose.

The design consultant shall utilize latest software for structural design and latest national / international standards and shall maintain record of design for examination / checking. This shall include but not be limited to the following:

- (a) Preparation and analysis of rates for the major items of work covered in the cost estimates.
- (b) Preparation of final computer aided estimate of cost based on the final design and the best available information on costs of labor and materials, at the time and projected to the expected execution time frame.
- (c) Certify the accuracy and adequacy of design.
- (d) Provide certification on all structural drawings signed by the structural engineer and Principal of the Developer. Firms stating that the structural design has been catered for seismic forces in which the site of the buildings is located. The certification shall also specify the source (local or international code) for establishing the seismic factor used in the calculation.
- (e) Prepare tentative construction schedule with physical and financial phasing of the project in consultation with PCBDDA schedule.

Submissions

The Developer shall submit of the final design documents and **Environmental Management Plan** to the PCBDDA to obtain approval for construction.

The Developer shall provide complete information, documentation and other information as mentioned below prior to commencement of work and obtain the requisite approvals from competent authorities:

6 Electrical Works - Street/Road Lighting System

- 6.1 **Design Objective:** The power distribution system should be designed considering the reliability, cost and ease of maintenance. The design provided by the Bidders will be evaluated technically and financially. Ultimately the best technical and economical solution will be adopted for implementation.
- 6.2 **Design Standards:** The electrical distribution work shall be carried out in accordance with all relevant international and local utility/LESCO codes and standards. The design should comply the specifications provided.

7 Information And Communication Technologies

7.1 Scope

- Provide and install all necessary infrastructures complying with the latest standards and technology.
- Provide optimized redundancy network solution for passive components.
- Conduct all tests and report test results.

7.2 Security Infrastructure

The security system has to be studied in several phases. The location, type and size of development influence the extent and method of protecting a development from safety hazards and security threats. Security will have to be part of the detailed development plan. The following design parameters will be adopted:

- Boundary wall
- Entrance gates
- Electronic surveillance
- Control Room and CCTV cameras

8 Gas supply systems:

- (a) Collection of data at site and carrying out detailed engineering, residual engineering for piping system in accordance with design basis, codes & standards and project specifications provided.
- (b) Contractor shall procure and supply all materials other than SNGPL supply pipeline, customer Metering Skids, required for permanent installation of pipeline and piping system in sequence and at appropriate time. All equipment, materials, components etc. shall be suitable for the intended service.
- (c) Contractor shall procure all materials, components, equipment, consumable etc. required for successful completion of pipeline system. Contractor shall also procure and supply spares required for pre-commissioning and overall commissioning/start up as recommended for all items supplied by him as per specifications provided.

9 Firefighting system:

The scope of work includes design, supply, installation, testing & successful commissioning fire-fighting system of stand-alone post type hydrant connected to water supply network, complete in all respects.

- 10** The contractor shall make his own arrangements for utilities (water, power etc.) required during construction.

FOR REFERENCE ONLY

[Scope will be added here during the agreement process]

FOR REFERENCE ONLY

As per Schedule H Section 2.2 & 3.

FOR REFERENCE ONLY

JOINT VENTURE AGREEMENT

BETWEEN:

PUNJAB CENTRAL BUSINESS DISTRICT DEVELOPMENT AUTHORITY

AND

[SPV]

IN RELATION TO:

DEVELOPMENT OF [NAME OF PROJECT]

[date]

This Joint Venture Agreement (the “**Agreement**”) is made at Lahore on the [•] day of [•] 2024

by and between

1 **Punjab Central Business District Development Authority**,having its offices at [•] through its duly authorized representative Mr. [•] S/o [•], holding CNIC No. [•] and resident of [•] (hereinafter referred to as “**PCBDDA**” which expression shall, where the context permits or requires, be deemed to mean and include its successors-in-interest and assigns)

And

2 **[insert name of Developer]**, a company incorporated under the laws of Pakistan and having its registered office at [•] (hereinafter referred to as the “**Developer**”, which expression shall, where the context permits or requires, be deemed to mean and include its successors-in-interest and assigns).

(PCBDDA, and the Developer shall hereinafter be individually referred to as a “**Party**” and collectively as the “**Parties**”).

WHEREAS

- A. PCBDDA is desirous of setting up [...] at the Site (“**name of project**”) through joint-venture and for this purpose requires a private party to establish, develop and operate the [name of the project] (the “**Project**”) on build, finance, own and operate on the Site provided by PCBDDA as per the terms of Lease Agreement (defined herein below);
- B. On [insert date], a Request for Proposals (together with related advertisements, amendments and clarifications) (the “**RFP**”) was issued by the PCBDDA for *inter alia*, inviting submission of bids for grant of the right to develop the Project and subsequently upon conclusion of the bidding process pursuant to the RFP (the “**Bidding Process**”), the proposed right to develop the Project was awarded to the Bidder/Consortium (pursuant to the letter of award dated [•]);
- C. The Developer was incorporated by the Consortium, in accordance with the provisions of the Applicable Laws as required under the RFP in order to enable the Parties to enter into this Agreement and for the Developer to seek and avail the grant of rights under this Agreement for the purposes of implementation of the Project;
- D. The Consortium has represented to PCBDDA that it has the requisite skills, resources, personnel and expertise to develop and set up the Project at the Site and carry out all its obligations in terms of this Agreement and to assume the risks associated therewith;
- E. The Parties have agreed that they will set up the Project by way of a joint-venture such that PCBDDA will provide the Site for the development of the Project and the Developer will develop the Site into the [name of the project] in accordance with the requirements of the RFP and on such terms and conditions as are mutually agreed between the Parties; and
- F. Based on the foregoing, the Parties have agreed to execute this Agreement for the implementation of the Project under joint-venture mode in accordance with the terms and conditions provided herein.

NOW THEREFORE, in view of the foregoing and in consideration of the mutual benefits to be derived and the representation and warranties, mutual covenants and agreements set forth in

this Agreement and for other good and valuable consideration, the adequacy of which is hereby acknowledged by the Parties and intending to be legally bound, the Parties have agreed as under:

1 THE CONTRACT

1.1 Definitions

In this Agreement, the following terms shall have the meanings assigned to them hereunder:

"Applicable Laws" means any common or customary law, constitutional law, any statute, regulation, resolution, rules, ordinance, enactment, judgment, order, code, decree, directive, notification, clarification, guideline, policy, requirement or other governmental restriction and any decision of or determination by or interpretation of any of the foregoing (whether or not having the force of law) by any governmental authority, court or Competent Authority having jurisdiction over this Agreement, the Works, the Project, the Site and the Parties (whether at a national, regional, provincial, state or local level) now or hereafter in effect, in each case as amended, re-enacted or replaced;

"Affected Party" has the meaning ascribed thereto in Section 16.1.1;

"Applicable Permits" means all clearances, authorizations, consents, permits, waivers, privileges, approvals, licenses, rulings or exemption required to be obtained or maintained by the Developer under the Applicable Laws in connection with the Developer's obligations to be performed hereunder, as may be in effect from time to time;

"Bid Security" means the pay order, deposit at call, bank draft or bank guarantee issued by a scheduled commercial bank operating in Pakistan or from a foreign bank duly counter guaranteed by a scheduled commercial bank in Pakistan (with a minimum rating of 'AA-' by JCR VIS or an equivalent rating by PACRA), posted by the Consortium in connection with its Bid for the development rights which is in effect until replaced by the Performance Security for the Project;

"Bid" means the technical and financial proposal submitted by the Consortium under the Request for Proposal for the Project;

"Big Four Accounting Firms" means (i) A. F. Ferguson & Co. (a member firm of PricewaterhouseCoopers network); (ii) KPMG Taseer Hadi & Co. (a member firm of KPMG International); (iii) M. Yousuf Adil Saleem & Co. (a member firm of Deloitte Touche Tohmatsu) and (iv) EY Ford Rhodes;

"Business Days" means in relation to any Day, a Day when commercial banks and financial institutions in Lahore are open for business;

"Competent Authority" means any agency, legislative, judicial or executive, department, ministry, public or statutory person, whether autonomous or not, of the PCBDDA, or GOP or any other subdivision or instrumentality thereof;

"Consortium" has the meaning ascribed thereto in the Recitals to this Agreement;

“CP Closing Period” has the meaning ascribed thereto in Section 3.1.4;

“CP Satisfaction Certificate” means the certificate confirming satisfaction of the Conditions Precedent (unless a Conditions Precedent is waived and/or deferred in accordance with the provision of this Agreement) issued by the Independent Engineer and the Independent Auditor in accordance with Section 3.1.4;

“Critical Project Milestones” means major construction milestones to be agreed by the Developer and the Independent Engineer in light of the Project Schedule;

“Commencement Date” means the date on which the Lease Agreement has been executed and effective between the Developer and PCBDDA;

“Completion Conditions Certificate” means the certificate issued by the Independent Engineer to the Developer with a copy to PCBDDA confirming that Grey Structure Completion Conditions have been completed in accordance with this Agreement;

“Completion Date” means the date on which the Independent Engineer issues the Grey Structure Completion Conditions Certificate;

“Cure Period for Developer” has the meaning ascribed thereto in Section 14.1.4;

“Cure Period for PCBDDA” has the meaning ascribed thereto in Section 14.2.4;

“Day” means a calendar day commencing from 12.00 midnight in Pakistan and ending twenty-four (24) hours thereafter;

“Defects” means any Works (or any part thereof) that fail to conform to the (i) requirements set forth in this Agreement; and/or (ii) Prudent Utility Practices, in each case, in any manner (including (without limitation) in services, performance, materials, design, execution, engineering and/or workmanship);

“Delay Liquidated Damages” has the meaning ascribed thereto in Section 11.4.1;

“Developer Conditions Precedent” has the meaning ascribed thereto in Section 3.1;

“Developer’s Documents” means the documents to be prepared by the Developer relating to the Project in accordance with this Agreement;

“Developer’s Equipment” means the equipment required by the Developer necessary to complete the Works;

“Developer’s Representative” has the meaning ascribed thereto in Section 7.3.1(a);

“Developer Termination Date” has the meaning ascribed thereto in Section 14.2.6;

“Earlier Notice to Terminate by Developer” has the meaning ascribed thereto in Section 3.1.8;

“Earlier Notice to Terminate by PCBDDA” has the meaning ascribed thereto in Section 3.1.7;

“Effective Date” means the day on which CP Satisfaction Certificate has been issued in accordance with this Agreement;

“Expiry Date” means the date falling [...] ¹ years from the Effective Date;

“Failure” has the meaning ascribed thereto in Section 7.14.3;

“Finishing” means completion of finishing works including that of installation of all such items required for the use of building such as electrification, plumbing, doors, windows, flooring, wash rooms, kitchen etc.

“Finishing Completion Conditions” means (i) the completion of at least ninety percent [(95%)] of the Finishing Works on Land such that all essential facilities including those required for Utilities are functional to enable the [users/allottees of apartments/houses] to take possession for their use and (ii) punch list items for the remaining portion of the Works in Land have been agreed between the Developer and PCBDDA;

“Force Majeure Event” has the meaning ascribed thereto in Section 16.1.1;

“GOP” means Government of Pakistan; **“GoP”** means Government of Punjab.

“Grey Structure” means all the civil structure works as per the drawings submitted by the Developer and approved by PCBDDA.

“Grey Structure Completion Conditions” means (i) the completion of at least ninety percent [(95%)] of the Grey Structure Works on Land such that civil structure/works of the building are completed and to enable the start of Finishing Works, and (ii) punch list items for the remaining portion of the Works in Land have been agreed between the Developer and PCBDDA;

“IE List” has the meaning ascribed thereto in Section 5.1.2;

“Independent Auditor Contract” means the contract executed and/or to be executed, by and between, *inter alia*, PCBDDA, the Developer and the Independent Auditor in relation to the Project;

“Independent Auditor” means the firm of chartered accountants appointed, from amongst the Big Four Accounting Firms, with the approval of PCBDDA, in accordance with Section 5.2;

“Independent Engineer Contract” means the contract executed and/or to be executed, by and between, *inter alia*, PCBDDA, the Developer and the Independent Engineer in relation to the Project;

¹ This can be the date when project is completed and the Land Title Transfer Payment is received by PCBDDA and title of the Land is transferred to the Developer.

“Independent Engineer” means the firm of engineers appointed, with the approval of the PCBDDA, in accordance with Section 5.1;

“Initial Shareholders” means the Consortium;

“Joint Condition Precedent” has the meaning ascribed thereto in Section 3.1.3;

“Key Personnel” shall mean the personnel identified by the Consortium in Form Tech 7 of the Request for Proposal as part of the Proposal;

“Land” means the total area of [...] acres as detailed and marked as ‘Land’ in Schedule 1 (*Site*) hereto;

“Land Title Transfer Payment” means final payment for transfer of title of the Land in the name of Developer by PCBDDA, as per section 12.2.4 and specified in Schedule 13 (*Payment Terms*) to be read with Schedule [] of the Lease Agreement.

“Lease Agreement” has the meaning ascribed thereto in Section 12.1.1.

“Lapse of Consent” means Applicable Permit (a) ceasing to remain in full force and effect and not being renewed or replaced within the time period prescribed by the Applicable Laws or, where a time period is not prescribed by the Applicable Laws, within sixty (60) days of such Applicable Permit ceasing to be in full force and effect, or (b) not being issued upon application having been properly and timely made and diligently pursued within the time period prescribed by the Applicable Laws or where a time period is not prescribed by the Applicable Laws, within sixty (60) days of proper application being made for such Applicable Permit or (c) being made subject, upon renewal or otherwise, to any terms or conditions that materially and adversely affect the Party’s ability to perform its obligations under this Agreement, in each of the above instances despite such Party’s compliance with the applicable procedural and substantive requirements;

“Lease Rent” means monthly payment payable by the Developer to PCBDDA for use of the Land as per section 12.2.1 during the construction period as specified in Schedule 13 (*Payment Terms*) to be read with Schedule [] of the Lease Agreement;

“Master Plan” means the overall plan required to be prepared by the Developer for development of the Project in accordance with the requirements set forth in this Agreement which include the timelines for completion of the major milestones of the Project together with the deployment of resources including that of identification of sources of funds to be raised and use for the construction of Project;

“Material Adverse Effect” means the occurrence of an event which materially and adversely impairs the Developer’s ability to implement, design, construct, operate and maintain the Project in accordance with the terms hereof, as determined by the Independent Engineer in accordance with Section 12.4;

“Material Adverse Impediment” has the meaning ascribed thereto in Section 12.3;

“Material Breach” means a breach of the obligations, terms and conditions of this Agreement or covenants by the Developer and PCBDDA, which materially and

substantially affects the performance of the transactions contemplated by this Agreement having a Material Adverse Effect;

“**New IE List**” has the meaning ascribed thereto in Section 5.1.8;

“**Notice of Intent to Terminate by the Developer**” has the meaning ascribed thereto in Section 14.2.2;

“**Notice of Intent to Terminate by PCBDDA**” has the meaning ascribed thereto in Section 14.1.2;

“**Nominee**” has the meaning ascribed thereto in Section 14.1.7.3;

“**Non-Political Event**” has the meaning ascribed thereto in Section 16.1.1(ii);

“**Ordinary Share Capital**” means any (i) shares of the Developer with voting or other rights of management and control, and (ii) any securities of the Developer that are convertible into such shares at the option of the holder;

“**Party**” or “**Parties**” has the meaning ascribed to the term in the preamble of this Agreement;

“**Payment Milestone**” means payment milestones as provided in Schedule 8 (*Payment Milestone*);

“**PCBDDA**” has the meaning ascribed thereto in the Preamble;

“**PCBDDA Act**” means the Punjab Central Business District Development Authority, Act 2021 (Act VI of 2021), as amended from time to time;

“**PCBDDA Conditions Precedent**” has the meaning ascribed thereto in Section 3.1.2;

“**PCBDDA’s Representative**” has the meaning ascribed thereto in Section 6.3;

“**PCBDDA Termination Date**” has the meaning ascribed thereto in Section 14.1.6;

“**PCBDDA Payments**” means Lease Rent and Land Title Transfer Payment.

“**Performance Security**” means an unconditional and irrevocable bank guarantee from a scheduled bank in Pakistan (with a minimum long/medium term credit rating of at least ‘A’ as rated by JCR VIS or an equivalent rating by PACRA) acceptable to PCBDDA, in favour of PCBDDA, for Performance Security Amounts, encashable and enforceable at Lahore, Pakistan, in the form and manner provided in Schedule 4 (*Performance Security*);

“**Performance Security Amounts**” has the meaning ascribed thereto in Schedule 5 (*Performance Security Amounts*);

“**PKR**” or “**Pak Rupees**” means Pakistani Rupees, being the lawful currency of Pakistan;

“**Political Event**” has the meaning ascribed thereto in Section 16.1.1(i);

“**Project**” has the meaning ascribed to the term in the preamble of this Agreement;

“**Project Costs**” means PKR [•]¹¹

“**Project Capital Account**” means a bank account separately created by the Developer wherein all the moneys including that of share capital and proceeds from the allottees on account of receipt of advance payments through sale of [units]

¹¹ As per the final proposal approved and accepted by PCBDDA

shall be deposited, and the funds shall be disbursed for costs to be incurred by the Developer on the Project;

“Project Completion Certificate” means the certificate issued by the Independent Engineer under Section 7.2.4 confirming that Finishing Completion Conditions have been completed;

“Project Completion Date” means the date on which the Independent Engineer issues the Project Completion Certificate;

“Project Schedule” means the Developer’s detailed schedule for performing the Works provided to PCBDDA pursuant to Section 7.14 (*Project Schedule*);

“Prudent Utility Practices” means those practices, methods and procedures conforming to safety and legal requirements which are attained by exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced contractor engaged in the same or a similar type of undertaking or activity under the same or similar circumstances and conditions to those pertaining in Pakistan to accomplish the desired result at reasonable cost consistent with reliability and safety applicable with reference to infrastructure projects;

“Relief Order” means a written order jointly issued by the Independent Auditor and the Independent Engineer to the Developer and PCBDDA pursuant to Section 12.4 authorising an extension of Scheduled Completion in accordance with Section 12.4;

“Relief Order Proposal” has the meaning ascribed thereto in Section 12.4.1;

“Request of Proposal” means the request for proposal dated [•] issued by PCBDDA in respect of the Project;

“Scheduled Grey Structure Completion Date” means the date falling [•] months from the Commencement Date, as may be extended due to a Material Adverse Impediment and/or Force Majeure Event;

“Scheduled Project Completion Date” means the date falling twenty-four (24) months from the Commencement Date, as may be extended due to a Material Adverse Impediment and/or Force Majeure Event;

“Signing Date” means the date of execution of this Agreement;

“Site” means Land and Land;

“Sub-Lease Agreement” or the **“Allotment Letter”** means the meaning given thereto in Section 13.1.3.

“Tax” or **“Taxes”** any tax, income tax, corporate tax, including sales tax, stamp duty, customs and import duties, levy, impost, octroi, duty imposed and /or levied of any nature whatsoever, whether by the GOP, the GoP, or any local authorities, and wherever and whenever charged, levied or imposed, together with any interest and penalties in relation thereto;

“Technical Specifications” means the description of the scope, specification, standard and design criteria of the Works as set out in Schedule 2 (*Scope of Work and Technical Specifications*) hereto;

“Term” has the meaning ascribed thereto in Section 2.2.1;

“Termination Notice by PCBDDA” has the meaning ascribed thereto in Section 14.1.6;

“Termination Notice by Developer” has the meaning ascribed thereto in Section 14.2.6;

“Third Party” means any person, real or legal, or entity other than the Parties to this Agreement including any subcontractor of the Developer or any person to whom a part of the Works has been subcontracted in accordance with Section 7.5 (*Subcontractors*), and the legal successors in title to such person, but not any assignee of such person and the term;

“Third Party Agreements” means:

- (a) all agreements entered into between the Developer and Third Parties, including, without limitation, the allotments of [units/apartments] to customers and or the parties; and
- (b) any other agreements of the Developer with contractors, Subcontractors and the Third Parties for provision of any goods or services required for executed of the Works;

“Utility” or **“Utilities”** means electricity, gas, water and telephone line;

“Works” means works to be performed by the Developer on the Site for the Project including design, supply, construction, installation, operation and maintenance of the Site which are undertaken in respect of the Project and any other permanent, temporary or urgent works required hereunder;

1.2 Interpretation

- 1.2.1 Words importing persons or parties shall include firms and corporations and any organisation having legal capacity.
- 1.2.2 Words importing the singular also include the plural and vice versa where the context requires.
- 1.2.3 Reference to any contract/agreement means contract/agreement as amended and/or restated from time to time.
- 1.2.4 References to Preamble, Recitals, Sections or Schedules are, unless the context otherwise requires or unless indicated to the contrary, references to Preamble, Recitals, Sections or Schedules to this Agreement.
- 1.2.5 A reference to any party to this Agreement or any other document or arrangement includes that party's executors, administrators, successors, permitted substitutes, permitted transferees and permitted assigns;
- 1.2.6 The headings and sub-headings in this Agreement are inserted merely for convenience of facilitating reference and shall be ignored in the interpretation and construction of any of the provisions contained herein.
- 1.2.7 The recitals to this Agreement shall have effect and be construed as an integral part of this Agreement.

1.3 Law and Language

- 1.3.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Pakistan.
- 1.3.2 The language for day-to-day communications shall be English. If there are versions of any part of this Agreement that are written in more than one language, the English language version shall prevail.

1.4 Priority of Documents

- 1.4.1 The following documents forming this Agreement are to be taken as mutually explanatory of one another.
- 1.4.2 If there is an ambiguity or discrepancy in the documents, the PCBDDA's Representative shall issue any necessary clarification or instruction to the Developer, and the priority of the documents shall be as follows:
- (a) This Agreement; and
 - (b) The Schedules.

1.5 Communications

- 1.5.1 Wherever provision is made for the giving or issue of any Notice, instruction, consent, approval, certificate or determination by any person, unless otherwise specified, such communication shall be in writing and shall not be unreasonably withheld or delayed and shall be deemed to have been received and be effective (i) upon receipt by the Party to which the Notice is given, or (ii) five (5) Days, following mailing of such Notice, whichever occurs first.
- 1.5.2 Wherever provision is made for a communication to be written, or in writing, this means any hand-written, type-written or printed communication, including electronic mail.
- 1.5.3 All certificates, Notices or written orders to be given to the Developer by PCBDDA, and all Notices to be given to PCBDDA or PCBDDA's Representative by the Developer, shall either be delivered by hand against written acknowledgment of receipt or be sent by mail, fax or email.

The addresses for the receipt of such communications shall be as follows:

PCBDDA

Attention: [•]

Address: [•]

Fax: [•]

E-mail: [•]

Developer

Attention: [•]

Address: [•]

Fax: [•]

E-mail: [•]

1.6 Developer's Documents

1.6.1 The Developer's Documents shall be in the custody and care of the Developer.

1.6.2 PCBDDA and PCBDDA's Representative shall have access to all the Developer's Documents and the Developer shall provide such number of copies of the same for PCBDDA's use as specified in the Schedule 2 (*Scope of Work and Technical Specifications*).

1.7 Confidential Details

1.7.1 All documents, plans, drawings, specifications, and the subject matter contained therein and any information provided by a Party hereunder to the other Party hereunder in connection with the performance of this Agreement which is oral or in writing or communicated by any other means and is intimated by the disclosing Party as being proprietary, secret, or confidential, shall be held confidential by the receiving Party and shall not be used or disclosed by the receiving Party for any purposes other than those for which they have been prepared or supplied, unless otherwise permitted with the prior written consent of the disclosing Party.

1.8 Compliance with Statutes, Regulations and Applicable Laws

1.8.1 The Developer shall, in all matters arising in the performance of this Agreement, comply with the provisions of Applicable Laws and Applicable Permits. Unless otherwise stated in this Agreement, the Developer shall give all Notices, pay all Taxes, duties and fees and obtain all Applicable Permits, as required by the Applicable Laws in relation to the execution and completion of the Works and the remedying of any defects; and the Developer shall indemnify and hold PCBDDA harmless against and from the consequences of any failure on its part to do so.

1.8.2 The Developer shall obtain all Applicable Permits within a reasonable time, taking into account the time for the completion of the Works. Notwithstanding the generality of the foregoing and the approval of any Subcontractor under this Agreement by PCBDDA, the Developer shall ensure that any imported materials are imported from such sources which are not banned under the Import and Export (Control) Act 1950, including any applicable import policy orders issued thereunder.

- 1.8.3 The Developer shall indemnify PCBDDA from and against all reasonable losses, damages, expenses (including legal fees and expenses), penalties, claims and proceedings (of whatsoever nature) to the extent that the same arises from any breach of the Developer's obligations under Section 1.

FOR REFERENCE ONLY

2 JOINT VENTURE AND TERM

2.1 Provision of Land and Grant of Development Right

- 2.1.1 Subject to the terms of this Agreement, PCBDDA hereby agrees to provide the Land, and grants to the Developer the right to design, finance, insure, construct, and complete the Project at the Site within the Term unless otherwise renewed by mutual agreement between the Parties or terminated earlier than the Expiry Date in accordance with the provisions of this Agreement.
- 2.1.2 The Project shall be designed and constructed by the Developer strictly in accordance with this Agreement.
- 2.1.3 The Developer may, subject to the terms of this Agreement, enter into such Third-Party Agreements to assist the Developer in fulfilling its obligations under this Agreement.

2.2 Term, Signing Date and Effective Date

- 2.2.1 Other than Section 3 (Conditions Precedent), Section 4 (Performance Security), and Section 14 (Termination) of this Agreement which shall become effective on the Signing Date, the remaining provisions hereof shall become effective on the Effective Date and shall remain in full force and effect until the Expiry Date (the “Term”) unless it is renewed by mutual agreement between the Parties or terminated earlier than the Expiry Date in accordance with the provisions of this Agreement.

3 CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

3.1 Conditions Precedent

3.1.1 Unless otherwise provided under this Agreement, the obligations of the Parties set out herein shall be subject to the satisfaction of the following conditions precedent by the Developer (the “**Developer Conditions Precedent**”) or waiver/deferral thereof:

- (a) The Developer has provided evidence to PCBDDA (with copies delivered to the Independent Engineer and the Independent Auditor) that equity contribution of [] percentage of the Project Costs has been funded in the Project Capital Account duly approved by PCBDDA at least [•] Days prior to the CP Closing Period;
- (b) The Developer has submitted the Performance Security to PCBDDA in accordance with Section 4 of this Agreement;
- (c) The Developer has provided to PCBDDA (with copies to Independent Engineer and Independent Auditor) certified copies of all resolutions of the board of directors of the Developer approving the execution, delivery and performance of this Agreement;
- (d) The Developer has entered into the Independent Engineer Contract, within ninety (90) Days of the Signing Date, for the appointment of the Independent Engineer with the counterparties to such contract;
- (e) The Developer has entered into the Independent Auditor Contract, within ninety (90) Days of the Signing Date, for the appointment of the Independent Auditor with the counterparties to such contract;
- (f) The Developer has procured a legal opinion from its legal counsel pertaining to its authority to enter into (i) this Agreement, (ii) the Independent Engineer Contract, and (iii) the Independent Auditor Contract and the enforceability of the foregoing agreements within fourteen (14) Days of the Signing Date (in respect of this Agreement) and in any case prior to the CP Closing Period;
- (g) The Developer has prepared an Environmental Impact Assessment (EIA) report in accordance with the Applicable Laws and the same stands approved by the Punjab Environmental Protection Agency and has submitted a copy of each of the same (the report and its approval) to the PCBDDA (with a copy delivered to the Independent Engineer and the Independent Auditor); and
- (h) the Developer has provided to PCBDDA, a Master Plan of the Project together with financials duly approved by the Independent Engineer and Independent Auditor (as applicable), which shall be prepared by the Developer in accordance with the requirements set forth in in this Agreement and the Technical Specifications.

3.1.2 Unless otherwise provided under this Agreement, the obligations of the Developer and PCBDDA set out herein shall be subject to the satisfaction of

the following conditions precedent by PCBDDA (the “**PCBDDA Conditions Precedent**”) or waiver/deferral thereof:

- (a) PCBDDA has obtained approval from its board the lease of the Site to the Developer in accordance with the terms of this Agreement;
- (b) PCBDDA has entered into the Independent Engineer Contract for the appointment of the Independent Engineer with the other counterparties to such contract; and
- (c) PCBDDA has entered into the Independent Auditor Contract for the appointment of the Independent Auditor with the other counterparties to such contract.

3.1.3 Unless otherwise provided under this Agreement, the obligations of the Developer and PCBDDA set out herein shall be subject to the satisfaction of the following condition precedent by both the Developer and PCBDDA (the “**Joint Conditions Precedent**”) or mutually agreed waiver/deferral thereof:

[to be discussed if any....]

3.1.4 The Developer Conditions Precedent, the PCBDDA Conditions Precedent and the Joint Conditions Precedent shall be complied with no later than [...] Days from the Signing Date, as may be extended by PCBDDA at its discretion (the “**CP Closing Period**”). Each of the Developer and PCBDDA shall promptly inform the other along with the Independent Engineer and the Independent Auditor in writing when the Conditions Precedent for which it is responsible have been satisfied. Upon satisfaction of the Conditions Precedents set out above, the Independent Engineer and the Independent Auditor shall promptly issue a CP Satisfaction Certificate to the Developer and PCBDDA.

3.1.5 Any of the Developer Conditions Precedent set forth in Section 3.1.1 above may be waived fully or partially by PCBDDA at any time in its sole discretion or PCBDDA may grant additional time for compliance with these conditions and the Developer shall be bound to ensure compliance within such additional time as may be specified by PCBDDA.

3.1.6 Any of the PCBDDA Conditions Precedent set forth in Section 3.1.2 above may be waived fully or partially by the Developer at any time in its sole discretion or the Developer may grant additional time for compliance with these conditions and PCBDDA shall be bound to ensure compliance within such additional time as may be specified by the Developer.

3.1.7 In the event the Developer Conditions Precedent are not satisfied within the time period provided in Section 3.1.1 above including any extensions thereof given under Section 3.1.4 above, this Agreement may be terminated by PCBDDA at its sole discretion. In the event PCBDDA exercises its right to terminate this Agreement, it shall issue a Notice to terminate this Agreement (“**Earlier Notice to Terminate by PCBDDA**”) to the Developer with a copy to the Independent Engineer (if applicable), Independent Auditor (if applicable). This Agreement shall stand terminated in accordance with the Earlier Notice to Terminate by PCBDDA. Upon termination of this

Agreement, the Performance Security or the Bid Security, as the case may be, shall be encashed by PCBDDA. The Developer and PCBDDA agree that the Developer shall have no claims against PCBDDA for costs, damages, compensation or otherwise.

- 3.1.8 In the event the PCBDDA Conditions Precedent listed in Section 3.1.2 above are not complied with by PCBDDA within the time period above including any extensions thereof under Section 3.1.6 above, this Agreement may be terminated by the Developer at its sole discretion. In the event the Developer exercises its right to terminate this Agreement, it shall do so by issuing a Notice to terminate (“**Earlier Notice to Terminate by Developer**”) this Agreement to PCBDDA with a copy to the Independent Engineer (if applicable), Independent Auditor (if applicable). This Agreement shall stand terminated on the date provided in the Earlier Notice to Terminate by Developer. Upon termination of this Agreement, the Developer shall be entitled to receive compensation and the PCBDDA shall be liable to pay compensation as provided in Schedule 14 (*Termination Compensation*). Except as otherwise provided herein above, the Developer and PCBDDA agree that the Developer shall have no claims against PCBDDA, GoP or GOP for costs, damages, compensation or otherwise.
- 3.1.9 The Developer and PCBDDA shall follow the procedure set out below to fulfil the Joint Condition Precedent in a timely manner:
- (a) The Developer shall provide such documents as are required under the PCBDDA Act pursuant to which PCBDDA shall facilitate in getting the [name of the project];
 - (b)
- 3.1.10 The Joint Condition Precedent set forth above may be deferred, such that provided each of the Developer Conditions Precedent and PCBDDA Conditions Precedent are duly fulfilled or waived, both Developer and PCBDDA may allocate additional time for compliance with the Joint Condition Precedent permitting the Developer to commence Works prior to fulfilment of such Joint Conditions Precedent.

3.2 Conditions Subsequent

- 3.2.1 The Developer shall take possession of the Land and deposit PKR [•] in the Project Capital Account on or before the expiry of [•] months from the Effective Date.
- 3.2.2 In the event the Developer fails to comply with Section 3.2.1, the Developer shall be liable to pay liquidated damages to PCBDDA amounting to PKR [•].

4 PERFORMANCE SECURITY

- 4.1 The Developer shall provide to PCBDDA the Performance Security on the Signing Date and in any event no later than two (2) days from the Signing Date in accordance with this Section 4. The Performance Security shall be for an aggregate amount as stated in Schedule 5 (*Performance Security Amounts*), as adjusted from time to time. The Performance Security shall secure all of the Developer's obligations, liabilities, payment of Delay Liquidated Damages, indemnities, representations, guarantees, warranties and responsibilities under this Agreement for the Works, including the integrity and quality of the Developer's workmanship, the timely and continuous performance and execution of the Works, the quality and quantity of the materials and the Works, the performance of the Works by the Developer and all other works and services to be provided by the Developer under this Agreement. The Developer shall ensure that the Performance Security is valid and effective during the Term of this Agreement.
- 4.2 The Performance Security shall be valid for an initial period beginning from the Signing Date and ending on ninety (90) Days from the Effective Date. Thereafter, the Performance Security shall be replaced and such Performance Security shall be valid for a period beginning from the Effective Date and ending on ninety (90) Days from the Scheduled Project Completion Date. Thereafter, the Performance Security shall be renewed on an annual basis in accordance with the terms thereof, for a period of [one (1) calendar year]. The Performance Security and shall be renewed at least [ninety (90) Days] prior to the expiry of each year, for an additional term of one (1) calendar year provided that Performance Security for last Year of the Term shall remain valid for ninety (90) Days following the expiry of the Term. The Developer shall replenish the Performance Security to the Performance Security Amount in the event of any encashment of the Performance Security by PCBDDA, within [five (5) Days of such encashment].
- 4.3 The Developer and PCBDDA agree that the Bid Security shall remain in full force and effect until such time the Developer provides the Performance Security to PCBDDA in accordance with this Agreement.
- 4.4 PCBDDA shall be entitled to encash the Performance Security (i) upon the failure by the Developer to PCBDDA any amounts including Delay Liquidated Damages as and when required under this Agreement; and/or (ii) termination of this Agreement in accordance with Section 14 (Termination).

5 INDEPENDENT ENGINEER AND INDEPENDENT AUDITOR

5.1 Independent Engineer

- 5.1.1 The Developer and PCBDDA shall appoint an Independent Engineer to oversee and supervise the development, design, engineering, construction, commissioning and operation of the [name of the project] including reviewing and approving the designs, specifications and documents submitted by the Developer to PCBDDA, the observation of the progress of the Works, the review of the progress reports and the issuance of certificates under this Agreement.
- 5.1.2 Within three (3) Days from the Signing Date, the Developer shall provide PCBDDA with a list of three (3) internationally reputable firms of engineers for appointment of the Independent Engineer (the “IE List”).
- 5.1.3 Within seven (7) Days of the receipt by PCBDDA of the IE List, PCBDDA may select a reputed firm of engineers from the IE List and PCBDDA and the Developer shall appoint such firm as the Independent Engineer in terms of the Independent Engineer Contract.
- 5.1.4 In the event the firms of engineers identified by the Developer in the IE List are not acceptable to PCBDDA, the Developer and PCBDDA shall appoint such firm as the Independent Engineer as is mutually acceptable to PCBDDA and the Developer. Such appointment shall be in terms of the Independent Engineer Contract.
- 5.1.5 The appointment of the Independent Engineer shall be for an initial period beginning from the Effective Date and ending on the Project Completion Date which shall be renewed with the mutual consent of the Developer and PCBDDA.
- 5.1.6 The appointment of the Independent Engineer may be terminated upon the occurrence of any of the following:
- (a) The Independent Engineer is (i) adjudged insolvent and/or bankrupt; or (ii) winding up proceedings are filed against or by the Independent Engineer; or (iii) any action for malpractice and/or misadministration is filed against the Independent Engineer in a court of law; or
 - (b) By the Developer and PCBDDA with mutual agreement.
- 5.1.7 Upon the occurrence of any of the events listed in Section 5.1.6, the Developer and PCBDDA shall have the right to terminate the Independent Engineer Contract in accordance with the terms thereof or in the event of expiry of the term of Independent Engineer, the Developer and PCBDDA shall appoint a new Independent Engineer in accordance with the Section 5.1.8 below.
- 5.1.8 The Developer and PCBDDA shall replace the appointed Independent Engineer with another consulting engineering firm or body corporate selected by the PCBDDA from the IE List provided by the Developer pursuant to Section 5.1.2 above; provided, however, that the termination

and/or replacement of the Independent Engineer shall not have effect till such time as the new Independent Engineer has been appointed.

- 5.1.9 The Developer shall ensure that all provisions of this Agreement pertaining to the Independent Engineer and its responsibilities in respect of the matters set out herein shall be duly incorporated in the Independent Engineer Contract.
- 5.1.10 The Developer and PCBDDA agree that any advice, decision, instruction, direction and/or award of the Independent Engineer on any matters which require any advice, decision, instruction, direction and/or award by the Independent Engineer under this Agreement shall be binding on the Developer and PCBDDA unless mutually agreed otherwise by the Developer and PCBDDA.
- 5.1.11 The Developer shall be responsible for the payment of the fees and expenses payable to the Independent Engineer pursuant to the Independent Engineer Contract. The Developer shall make all payments required to be made to the Independent Engineer in a diligent and timely manner in accordance with the Independent Engineer Contract.
- 5.1.12 The Developer and PCBDDA shall as part of the Independent Engineer Contract require the Independent Engineer to designate and Notify to PCBDDA and the Developer of the authorized representative of the Independent Engineer. Any communication, advice, decision, instruction, direction and/or award of the Independent Engineer shall only be valid and effective if signed by such authorized representative on behalf of the Independent Engineer; provided, that the Independent Engineer may, by Notice in writing to the Developer and PCBDDA, substitute the authorized representative.
- 5.1.13 The Developer agrees to ensure (by way of including the necessary provisions in the agreement to be executed with the Independent Engineer or otherwise) that the Independent Engineer, while performing its functions (under the Agreement and the agreement to be executed with the Independent Engineer) in accordance with good industry practice and in an independent manner, shall endeavour to co-ordinate and cooperate with the Independent Auditor for the benefit and long term success and operation of [name of the project].
- 5.1.14 The duties and responsibilities of the Independent Engineer shall include:
- a) review of the Detailed Design;
 - b) periodic inspection of the Works for the purpose of the issuance of inter alia the CP Satisfaction Certificate, Completion Conditions Certificate, Grey Structure Completion Conditions Certificate, along with the Incomplete Works List and the Project Completion Certificate in accordance with the terms of this Agreement;
 - c) The Independent Engineer shall inspect the Construction Works once every month, preferably after receipt of the monthly progress report from the Developer, and make out a report of such inspection ("Inspection Report") setting forth an overview of the status, progress, quality and

safety of construction, including the work methodology adopted, the materials used and their sources, and conformity of Construction Works approved by PCBDDA. In a separate section of the Inspection Report, the Independent Engineer shall describe in reasonable detail the lapses, defects or deficiencies observed by it in the construction of the Project. The Independent Engineer shall send a copy of its Inspection Report to PCBDDA and the Developer within 7 (seven) days of the inspection.

- d) finalize Critical Project Milestones;
- e) advice on corrective measures to be undertaken on any defects in the Works;
- f) ensuring that the accepted detailed design and the works are being carried out within the relevant approved drawings, construction schedules and otherwise in conformity with this Agreement;
- g) making recommendations for release of the Performance Security;
- h) making recommendations to PCBDDA for adoption and/or Approval of requests for extension of time for completion of the Works;
- i) determination of appropriate relief as a consequence of a Compensation Event and Relief Event, in accordance with the terms of this Agreement;
- j) determination of any Compensation Amount to be borne by PCBDDA in accordance with the terms of this Agreement;
- k) determination of the Termination Compensation jointly with the Independent Auditor;
- l) regularly reporting to PCBDDA in respect of various matters pertaining to this Agreement; and
- m) such other functions as stated in this Agreement, the PCBDDA Agreements or as may be stipulated in the Independent Engineer Contract.

5.2 Independent Auditor

5.2.1 Within [ten (10) Days] from the Signing Date, PCBDDA and the Developer shall select one of the Big Four Accounting Firms to act as an Independent Auditor under this Agreement.

5.2.2 The appointment of the Independent Auditor shall be for an initial period beginning from the Effective Date and ending on the Project Completion Date which shall be renewed with the mutual consent of the Developer and PCBDDA.

5.2.3 The Developer shall ensure that all provisions of this Agreement pertaining to the Independent Auditor and its responsibilities in respect of the matters set out herein are duly incorporated in the Independent Auditor Contract.

5.2.4 The Developer and PCBDDA agree that any advice, decision, instruction, direction and/or award of the Independent Auditor on any matters which require any advice, decision, instruction, direction and/or award by the Independent Auditor under this Agreement shall be binding on the Developer

and PCBDDA unless mutually agreed otherwise by the Developer and PCBDDA.

- 5.2.5 The Developer shall be responsible for the payment of the fees and expenses payable to the Independent Auditor pursuant to the Independent Auditor Contract.
- 5.2.6 The Developer and PCBDDA shall as part of the Independent Auditor Contract require the Independent Auditor to designate and Notify to PCBDDA and the Developer of the authorized representative of the Independent Auditor.
- 5.2.7 The Developer agrees to ensure (by way of including the necessary provisions in the agreement to be executed with the Independent Auditor or otherwise) that the Independent Engineer, while performing its functions (under the Agreement and the agreement to be executed with the Independent Auditor) in accordance with good industry practice and in an independent manner, shall endeavour to co-ordinate and cooperate with the Independent Engineer for the benefit and long term success and operation of [name of the project].
- 5.2.8 The duties and responsibilities of the Independent Auditor shall include:
- a) inspection and review of the submitted documents and based on that issuance CP Satisfaction Certificate in accordance with the terms of this Agreement;
 - b) carrying out audits of bank accounts established under the Concession Agreement quarterly or at such other intervals as reasonably requested by PCBDDA or the Developer and submit its reports to PCBDDA;
 - c) submission of comprehensive financial review report to PCBDDA and the Developer which shall include an audit of management accounts prepared and submitted by the Concessionaire, highlighting any variance from Financial Model;
 - d) determination of any Compensation Amount to be borne by PCBDDA in accordance with this Agreement;
 - e) determination of appropriate relief as a consequence of a Compensation Event, Relief Event and Unforeseeable Event, in accordance with the terms of this Agreement;
 - f) determination of the Termination Compensation;
 - g) regularly reporting to PCBDDA in respect of various matters pertaining to this Agreement; and
 - h) such other functions as stated in this Agreement, the PCBDDA Agreements or as may be stipulated in the Independent Auditor Contract.

6 OBLIGATIONS OF PCBDDA

6.1 General Obligations

6.1.1 PCBDDA shall:

- (a) Arrange availability of Utilities by Scheduled Project Completion Date in the manner provided herein below:
 - i. PCBDDA shall arrange electricity connection for [•] MW;
 - ii. PCBDDA shall arrange water connection for [•] MGD; and
 - iii. PCBDDA shall arrange gas connection for [•] MMCFD.

For the avoidance of doubt, the Developer may enter into direct agreement(s) with the utility provider(s) as the case may be for the provision of any one or more Utility.

- (b) Provide support to the Developer during the Term to obtain Applicable Permits required for the purpose of carrying out its obligations under this Agreement as detailed in Section 6.2 below.

6.2 Applicable Permits

6.2.1 The Developer shall obtain all Applicable Permits for the performance of the Works and operation and maintenance of the [name of the project], strictly in accordance with this Agreement.

6.2.2 PCBDDA shall, at the request and cost of the Developer, provide reasonable assistance in applying for such Applicable Permits. It is the sole responsibility of the Developer to timely request such assistance and to provide all necessary documentation and other information to facilitate the provision of such assistance.

6.3 The PCBDDA Representative

6.3.1 PCBDDA shall appoint a representative (the "PCBDDA's Representative"), to act on its behalf under this Agreement and shall give written Notice to the Developer of the name and address of the PCBDDA's Representative and the authority delegated to him.

6.3.2 The first PCBDDA's Representative shall be:

[to be finalized at the time of execution]

6.3.3 PCBDDA shall have the right to change the PCBDDA's Representative at any time during the Term and shall give written Notice to the Developer of the name and address of such PCBDDA's Representative.

6.3.4 The PCBDDA's Representative shall carry out the duties specified in this Agreement on behalf of PCBDDA, provide however, the PCBDDA's Representative shall have no authority to amend this Agreement. The PCBDDA's Representative may exercise the authority specified in or necessarily to be implied from the Agreement.

6.4 PCBDDA's Determination

- 6.4.1 When PCBDDA is required to determine extension of time or whenever this Agreement, which for the avoidance of doubt, shall always be subject to the approval of the Independent Engineer or the Independent Auditor, as the case may be, provides that the Developer shall proceed in accordance with this Section 6.4 (*PCBDDA's Determination*) to agree or determine any matter, PCBDDA shall consult with the Developer in an endeavour to reach an agreement. If an agreement is not achieved within thirty (30) Days, PCBDDA shall make a fair determination in accordance with the Agreement, taking due regard of all relevant circumstances, which for the avoidance of doubt, shall always be subject to the approval of the Independent Engineer or the Independent Auditor, as the case may be.

FOR REFERENCE ONLY

7 THE DEVELOPER

7.1 General Obligations

7.1.1 The Developer shall:

- (a) continuously, diligently and in accordance with the Master Plan and the timelines set out this Agreement, perform and execute the Works and all its obligations set out herein including that of contributing equity of [•] percent of the Project Costs into the Project Capital Account;
- (b) ensure that each Critical Project Milestone is completed in accordance with the timelines set out this Agreement;
- (c) ensure that the Project Completion Date is achieved on or prior to the Scheduled Project Completion Date;

7.1.2 The Developer undertakes to perform the Works in accordance with Prudent Utility Practices pursuant to this Agreement at its own cost and risk.

7.1.3 The Developer shall perform all its obligations and shall execute and complete the Works that, in each case, are contemplated under this Agreement to be performed, executed and completed during the Term.

7.1.4 The Developer shall make the PCBDDA Payments as and when due and payable by the Developer in accordance with the terms of this Agreement.

7.1.5 The Developer shall remedy any Defects at its own cost and risk.

7.1.6 The Developer undertakes that to an extent appropriate from time to time, it shall itself and any of its employees, agents, contractors, Subcontractors, and PCBDDA entering into the Third-Party Agreements as deemed appropriate at sole discretion of the Developer shall, in each case, be available to attend such meetings with the PCBDDA at all reasonable times, as required and notified by the PCBDDA to the Developer in accordance with this Agreement. The Developer and PCBDDA agree that the Developer's costs (including the costs of its employees, contractors, Subcontractors, and Third Parties entering into the Third-Party Agreements) for attending such meetings shall be on Developer's account.

7.1.7 The Developer shall Notify PCBDDA without undue delay upon becoming aware of any changes in the information to be provided to the PCBDDA by the Developer pursuant to this Agreement.

7.1.8 The Developer shall ensure that no damage is caused to any property belonging to PCBDDA in the execution of the Works.

7.1.9 During the execution of the Works, the Developer shall keep the Site free from all unnecessary obstructions, and shall store or dispose of any its equipment (or any equipment of the Third Parties entering into Third Party Agreements) or surplus materials not required for the Works, in each case, in accordance with this Agreement and Prudent Utility Practices. The

Developer shall clear away and remove from the Site any wreckage, rubbish or temporary works no longer required for the performance of Works.

- 7.1.10 The Developer shall be responsible for the coordination and general management of the Works, and shall provide the PCBDDA such information relating to the Works and the execution and completion of the same as is reasonably requested by the PCBDDA from time to time.
- 7.1.11 The Developer shall allow PCBDDA, PCBDDA's Representative and the Independent Engineer (including each of their employees, representatives, nominated persons and advisors) clear access to the Site in order to examine the Works.
- 7.1.12 The Developer shall not use the Site for any purpose other than the purposes of establishing [name of the project].
- 7.1.13 The Developer shall be responsible for the operations, management and maintenance of the Project.
- 7.1.14 The Developer shall commence the construction of the Project and begin construction activities and development activities strictly in accordance with the Master Plan, Project Schedule and timelines set forth in this Agreement.
- 7.1.15 The Developer shall be responsible for maintaining the Site in good condition, fair wear and tear expected, in accordance with this Agreement and Prudent Utility Practices at no cost to the PCBDDA.
- 7.1.16 The Developer shall be responsible for engineering and design of the Works in accordance with this Agreement and Prudent Utility Practices.
- 7.1.17 The Developer shall, at the request of PCBDDA and in any event, prior to execution of [allotments and or sale agreements with the potential customers levy and charge the utility other miscellaneous charges] as may be advised by PCBDDA in consultation with the Independent Engineer. The levy of such charges will be incorporated into the allotment agreements/letters and all proceeds recovered from the allottees on account thereof shall be transferred to PCBDDA promptly and in any event, no later than five (5) Business Days from receipt thereof.
- 7.1.18 The Developer shall develop the Site and do all such acts, deeds and things as may be necessary and expedient for that purpose and the Developer shall:
- (a) obtain or cause its agents, contractors and Subcontractors to obtain all the Applicable Permits required to carry out the construction of the Project in accordance with Applicable Law;
 - (b) either itself or through contractors appointed in accordance with the terms of this Agreement, procure at its own risk all services necessary for the construction, development, operation and maintenance of the Project; and

- (c) provide the services and shall bear and pay the entire costs and expenses with regard to all such acts, deeds and things as stated in (a) and (b) above.

7.2 Construction and Operation

7.2.1 Upon the occurrence of the Commencement Date, the Developer shall immediately proceed with the construction in accordance with the Technical Specifications as detailed in Schedule 2 (*Scope of Work and Technical Specifications*) and Prudent Utility Practices and complete the Grey Structure by or before the Scheduled Grey Structure Completion Date.

7.2.2 On the completion of Grey Structure, the Developer shall apply to the Independent Engineer to confirm that the Grey Structure Completion Conditions have been satisfied. The application by the Developer shall be supported by relevant documentation and the Independent Engineer shall be entitled to request further documentation, if so required. The Independent Engineer shall, within [fifteen (15) Days] from the receipt of the application made by the Developer under this Section 7.2.2:

- i. Issue the Grey Structure Completion Conditions Certificate (with a copy to PCBDDA and Independent Auditor) confirming that the Grey Structure Completion Conditions have been satisfied by the Developer in accordance with this Agreement; or
- ii. Inform the Developer (with a copy to PCBDDA and Independent Auditor) that the Grey Structure Completion Conditions have not been completed to his satisfaction and inform the Developer the steps required to be undertaken by the Developer to complete the Grey Structure Completion Conditions.

Following the satisfaction of the Grey Structure Completion Conditions in accordance with Section 7.2.2(ii) (if applicable), the Developer shall be entitled to apply to the Independent Engineer in accordance with Section 7.2.2.

7.2.3 Upon achievement of the Grey Structure Completion Conditions, the Developer shall proceed with the completion of Finishing in accordance with the Technical Specifications as detailed in Schedule 2 (*Scope of Work and Technical Specifications*) to meet the Finishing Completion Conditions by or before the Scheduled Project Completion Date.

7.2.4 On the completion of Finishing Completion Conditions, the Developer shall apply to the Independent Engineer to confirm that the Finishing Completion Conditions have been satisfied. The application by the Developer shall be supported by relevant documentation and the Independent Engineer shall be entitled to request further documentation, if so required. The Independent Engineer shall, within [fifteen (15) Days] from the receipt of the application made by the Developer under this Section 7.2.4:

- i. Issue the Project Completion Certificate (with a copy to PCBDDA and the Independent Auditor) confirming that the Finishing Completion Conditions have been satisfied by the Developer in accordance with this Agreement; or

- ii. Inform the Developer (with a copy to PCBDDA and Independent Auditor) that the Finishing Completion Conditions have not been completed to his satisfaction and inform the Developer the steps required to be undertaken by the Developer to complete the Finishing Completion Conditions.

7.2.5 Following the satisfaction of the Finishing Completion Conditions in accordance with Section 7.2.4(ii) (if applicable), the Developer shall be entitled to apply to the Independent Engineer in accordance with Section 7.2.4.

7.2.6 The Developer shall meet all Critical Project Milestones in accordance with the requirements set forth in the Technical Specifications.

7.2.7 The Developer shall ensure that any punch list items for the remaining portion of Land as between agreed between the Developer and PCBDDA shall be completed within [three (3) months] from the date upon which such agreement is reached.

7.3 Developer's Representative and Other Staff

7.3.1 Developer's Representative

- (a) The Developer shall within [three (3) Days] of the Signing Date, submit to PCBDDA the name and particulars of the person whom the Developer proposes to appoint as developer's representative (the "**Developer's Representative**") for PCBDDA's approval. The Developer shall not revoke the appointment of the Developer's Representative without the prior approval of PCBDDA.
- (b) The Developer's Representative shall be an experienced and capable person who is a fulltime employee of the Developer dedicated to directing the preparation of the Developer's Documents, the execution of the Works and performing all obligations of the Developer under this Agreement.
- (c) The Developer shall replace the Developer's Representative with another person fulfilling the requirements set out above if requested to do so by PCBDDA in writing.

7.3.2 Other Staff

PCBDDA shall have the right to approve those individuals who will hold key project positions such as project manager and construction manager. PCBDDA shall have the right at all times to reasonably require that any personnel (whether or not previously approved by PCBDDA) be removed and replaced for reasons to be stated in writing.

7.4 Coordination of the Works

7.4.1 The Developer shall be responsible for the coordination and general management of the Works.

7.4.2 The Developer shall obtain, coordinate and submit to PCBDDA, the Independent Engineer and the Independent Auditor for their information all

details (including details of work to be carried out off the Site) from Subcontractors and suppliers, as applicable.

7.5 Third Parties - Subcontractors

7.5.1 The Developer shall be responsible for observance by all Third Parties of all the provisions of the Agreement. The Developer shall be responsible for the acts or defaults of any Subcontractor, his agents or employees, as fully as if they were the acts or defaults of the Developer, his agents or employees. Any subcontracting by the Developer of any portion of the Works shall not release or discharge the Developer of any of its responsibilities or obligations under the Agreement.

7.5.2 The Developer shall ensure that all Third-Party Agreements and purchase orders contain a provision providing for assignment in the event of termination of this Agreement. Such assignment will be at the discretion of PCBDDA and at no cost to PCBDDA.

7.6 Setting Out

7.6.1 The Developer shall set out the Works in relation to original points, lines and levels of reference specified in the Technical Specifications or, if not specified, given by PCBDDA in writing.

7.6.2 The Developer shall correct, at his cost, any error in the positions, levels, dimensions or alignment of the Works.

7.7 Restrictions on the Developer

7.7.1 Restriction on Transfer of Shares

(a) The Developer shall not issue any Ordinary Share Capital nor the Initial Shareholders shall transfer any Ordinary Share Capital owned directly or beneficially by them at any time on or prior to the Signing Date until the Developer achieves the Project Completion Date if following such issuance or such transfer the Initial Shareholders will own directly or beneficially less than the entire Ordinary Share Capital.

(b) After the achievement of Project Completion Date in accordance with this Agreement, the Initial Shareholders shall be entitled to transfer up to forty-nine percent (49%) of the Ordinary Share Capital with a prior written Notice to PCBDDA which shall be provided at least [sixty (60) days] prior to such transfer.

(c) Any transfer by the Initial Shareholders or issuance of Ordinary Share Capital by the Developer in breach of this Section 7.7.1 shall be deemed to a Material Breach.

7.7.2 Restriction on creation of encumbrance

- (a) The Developer shall not at any time during the term of the Lease Agreement create an encumbrance over the Site.
- (b) The Developer shall not at any time during the Term create an encumbrance over the assets of the Developers including any movable, immovable, tangible or intangible assets.
- (c) The Developer shall not incur any financial indebtedness during the Term which shall in any event not exceed PKR [].
- (d) The Developer shall provide annual audited financial statements including the auditors' report and directors' report to the PCBDDA and Independent Auditor within thirty (30) Days of the close of each financial year. The financial statements of the Developer shall be audited by any one of the Big Four Accounting Firms.

7.8 Representations, Warranties and Covenants

7.8.1 The Developer hereby represents and warrants to PCBDDA that:

- (a) it is duly incorporated, existing and in good standing under the laws of Pakistan, and has all requisite power and authority to conduct its business and to execute, to deliver and to perform its obligations under this Agreement;
- (b) it has taken all necessary actions to authorize the execution, delivery and performance of this Agreement;
- (c) it has the financial standing and capacity to carry out its obligations under this Agreement;
- (d) there are no proceedings pending, or to the best of its knowledge, threatened for the liquidation of the Developer or that could materially adversely affect the performance by the Developer of its obligations or constitute an event of default under this Agreement;
- (e) this Agreement has been duly authorised, executed and delivered by it and constitutes the legal, valid and binding obligation of it;
- (f) to the best of its knowledge, the execution and delivery of, and performance of its obligations under this Agreement by the Developer, subject to the granting and maintenance of the requisite Applicable Permits, does not and, subject to the granting and maintenance of the relevant additional Applicable Permits in the future, will not constitute a violation of its constitutional documents, or any Applicable Law or any agreements, understanding, judgment, order, decree or regulation or rule of any Competent Authority, court, governmental authority or arbitrator of competent jurisdiction applicable or relating to it, its assets or its businesses;
- (g) it is in compliance with all the Applicable Laws including but not limited to Companies Act 2017;
- (h) no corrupt act has been committed by the Developer or on its behalf;

- (i) it has adequate expertise and personnel to comply with its obligations under the Agreement;
- (j) it has received all relevant information it requires and no additional information relating to the Project in order to procure and construct the Works in accordance with the Agreement is required;
- (k) It has satisfied itself in every respect prior to the Signing Date regarding the design criteria provided in this Agreement and the accuracy of any information relating to the Site;
- (l) It has carried out the necessary due diligence and is aware of the risks and hazards that are likely to arise or which the Developer may face in the course of the performance of its obligations hereunder; and
- (m) All statements/information provided by it are true and correct at the Signing Date.

7.8.2 The Developer hereby covenants to PCBDDA that:

- (a) It shall take full responsibility for the adequacy, stability and safety of all Site operations, of all means and methods of construction and of all the Works, irrespective of any approval or consent or the lack thereof by PCBDDA;
- (b) it shall perform or cause to be performed the Works (incorporating and supplying only new, good quality materials manufactured by reputable manufacturers and which are suitable for use as part of the Project) for the Project in accordance with the terms of this Agreement, and provide all labour, materials, equipment, machinery, tools, transportation, as may be required, during the Term), utilities, administration and other services or items required to complete the Works and otherwise in accordance with this Agreement, including the Technical Specifications, and in compliance with all Applicable Laws, Applicable Permits and Prudent Utility Practices;
- (c) it shall further design, engineer, supply, construct and execute the Works, in a manner consistent with the requirements of this Agreement;
- (d) the Works as completed by the Developer shall be wholly in accordance with the Agreement and shall include any work which is necessary to satisfy the Technical Specifications and the requirements set out in the Schedules, or is implied by the Agreement and all works which (although not mentioned in the Agreement) are necessary for the stability or for the completion, or safe and proper operation of the Works;
- (e) it shall be responsible for the adequacy, stability and safety of all Site operations, of all methods of construction and of all the Works;
- (f) it shall execute and complete the Works and achieve the Project Completion Date within the Scheduled Project Completion Date;
- (g) it shall provide all superintendence, labour, plant and materials, Developer's Equipment, and all other things, whether of a temporary or permanent nature, required in and for the Project;

- (h) the Works will be carried out with all the skill and care to be expected of appropriately qualified and experienced professional developers with experience in carrying out works of a similar type, nature and complexity to the Works;
- (i) all material used in the Works or any part thereof shall be brand new, unused, un-refurbished, undamaged and un-reconditioned;
- (j) it shall not create any encumbrance on the Site or its assets; and

7.9 Site Data

7.9.1 PCBDDA has made available to the Developer and the Developer acknowledges receipt of data on geo-technical investigations, seismic surveys and topography or under and around the Site, and studies on environmental impact which have been obtained by PCBDDA as specified in Schedule 1 (*Site*) hereto. The Developer shall be solely responsible for interpreting all data, and PCBDDA makes no warranty or representation that the information described in the said schedule is complete, accurate or exhaustive. The Developer shall be deemed to have inspected and examined the Site, its surroundings, the above data and other available information, and to have satisfied himself prior to the Effective Date as to:

- (a) the form and nature of the Site, including all surface and sub-surface conditions;
- (b) all applicable geo technical investigations, seismic surveys and topography climatic conditions, including those of the Site;
- (c) the extent and nature of the work, labour, manpower, services, Developer's Equipment and materials necessary for the execution and completion of the Works and implementation of the Project;
- (d) the social, political and security situation at and around the Site; and
- (e) the means of access to the Site and the accommodation required.

7.9.2 Without prejudice to Section 7.9.1, the Developer shall be deemed to have obtained all necessary information as to risks, contingencies and all other circumstances, which may influence or affect the Project.

7.9.3 The Developer warrants that it has thoroughly investigated the Site, including any applicable easements, water sources, access to the Site, transportation, international and local labour conditions, all Applicable Laws and Applicable Permits, the Technical Specifications, identified any and all above ground and below ground obstructions, and all other relevant matters or conditions that could affect execution of the Works, and, except for any express provisions of this Agreement stating otherwise, warrants that the Developer shall not be entitled to and shall make no claim for additional compensation, extension of the Scheduled Grey Structure Completion Date or Scheduled Project Completion Date, as the case may be, for any reason relating to any of the foregoing matters or for any matter relating to conditions encountered above, below, on or at the Site or on the ground of any allegation or fact that incorrect or insufficient information was given to him by PCBDDA or any other person, whether in the employment of PCBDDA or otherwise including PCBDDA.

7.10 Unforeseeable Sub-Surface Conditions

7.10.1 If sub-surface conditions are encountered by the Developer which in his opinion could require the Developer to modify or revise the Works, the Developer shall, before such conditions are disturbed, give Notice to PCBDDA so that PCBDDA can inspect such conditions. The Developer shall not be entitled to and shall make no claim for additional compensation, extension of Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case may be, for any such modification or revision to the Works, the Project Schedule, or its construction means and methods which may be necessitated by any unforeseen sub-surface conditions.

7.11 Access Route

7.11.1 The Developer shall be deemed to have satisfied himself as to the suitability and availability of the access routes he chooses to use. The Developer shall (as between the Developer and PCBDDA) be responsible for the repair of access routes damaged by the Developer.

7.11.2 The Developer shall provide any signs or directions, which it may consider necessary for the guidance of its staff, labour and others. The Developer shall obtain any Applicable Permit that may be required from any Competent Authority for the use of such routes, signs and directions.

7.11.3 The Developer acknowledges that (a) it will not have sole occupation or use of access routes to the Site; and (b) it will co-ordinate its use of all such access routes with other Developers engaged by PCBDDA so as not to hinder or delay the performance of works by, or the access to the Site of such other Developers.

7.12 Temporary Rights of Way and Facilities

7.12.1 The Developer shall provide, at his own cost, any additional facilities outside the Site required by him for the purposes of the Works and procure any easements or right-of way required for those facilities.

7.12.2 PCBDDA shall co-operate in obtaining necessary Applicable Permits and approvals for such right-of-way and/or facilities, if required.

7.13 Project Schedule

7.13.1 The Developer shall submit a final Project Schedule to PCBDDA which shall be binding on the Developer, within [thirty (30)] Days from the Signing Date. The Project Schedule shall be at least a level-3 programme, in such detail as is reasonably acceptable to PCBDDA and shall be prepared in accordance with the Technical Specifications.

7.13.2 The final Project Schedule shall be such that the Developer is able to achieve the Grey Structure Completion Conditions by the Scheduled Grey Structure Completion Date and the Project Completion Date by the Scheduled Project Completion Date, as the case may be and shall include the following:

- (a) the order in which the Developer proposes to carry out the Works (including each stage of the setting up of the Project);
- (b) the times when submissions and approvals or consents by PCBDDA are required, as indicated in the Technical Specifications; and
- (c) timelines for meeting Grey Structure Completion Conditions and Finishing Completion Conditions.

7.13.3 The Project Schedule shall be developed using Critical Path Method (CPM) and precedence networking techniques, showing early start, late start, early finish and late finish dates. Latest versions of Primavera Professional Project Management software or MS Project shall be used and soft copies on compact discs shall be provided in compatible format to PCBDDA for the Project Schedule, as well as any modifications or updates to such Project Schedule.

7.13.4 The Developer shall, whenever required by PCBDDA or PCBDDA's Representative, provide in writing, for information, a general description of the arrangements and methods which the Developer proposes to adopt for the execution of the Works. No alteration to the Project Schedule, or to such arrangements and methods, shall be made without seeking a prior written approval from PCBDDA. If the progress of the Works does not conform to the Project Schedule, PCBDDA may instruct the Developer to revise the Project Schedule, showing the modifications necessary to achieve Grey Structure Completion Conditions by the Scheduled Grey Structure Completion Date and Finishing Completion Conditions by Scheduled Project Completion Date.

7.14 Progress Reports

7.14.1 The Developer shall submit a monthly report on the first day of the succeeding month, after mobilisation at the Site, to PCBDDA, the Independent Engineer and the Independent Auditor covering all activities relating to the Works carried out in the previous month. The PCBDDA and the Developer along with the Independent Engineer and the Independent Auditor shall hold monthly meetings at the Site (or such other place as the Developer and PCBDDA may mutually agree) to discuss (i) the progress of the Works, (ii) the stage at which the Developer has reached, and if any activity is behind the Project Schedule, and (iii) set out the explanation of any such delays and the consequences thereto and the corrective actions being taken by the Developer to remedy the delay. Minutes of these meetings shall be prepared by the Developer and sent to PCBDDA for approval. These meetings will continue throughout until the Project Completion Date.

7.14.2 The Developer shall provide a quarterly progress report that provides a detailed schedule for the entire Project Schedule of Works with detailed task

breakdown using such method and technique as may be acceptable to PCBDDA. The quarterly progress report will highlight the Works conducted in the past quarter and the Works to be conducted in the next quarter. The quarterly progress report shall contain such information, be in such format and on such media as the Developer shall prepare, subject to the approval of PCBDDA and shall set out, as a minimum:

- (a) actual project situation, descriptions of progress, including photo documentation;
- (b) charts showing the status of the Developer's Documents and the Project Schedule;
- (c) survey of the Developer's personnel and Developer's Equipment on Site;
- (d) copies of quality assurance documents;
- (e) analysis of safety statistics, including details of any hazardous incidents and activities relating to environmental aspects and public relations;
- (f) comparisons of actual and planned progress, with details of any aspects which may jeopardise the completion in accordance with the Project Schedule and this Agreement, and the measures being (or to be) adopted to overcome such aspects;
- (g) summary of unresolved claims or disputes that involve requests for extension to the Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case may be, or adjustment to any other date or Critical Project Milestones set forth in this Agreement.
- (h) forecast of progress for the next month;
- (i) the analysis of the critical path activities should be identified;
- (j) if the progress of any activity is delayed relative to the dates indicated on the Project Schedule, an explanation of this and the likely consequences and stating the corrective action being taken to remedy the delay;
- (k) information on all critical aspects influencing the progress of the Works;
- (l) a general report on the status of the Works;
- (m) such other information as the PCBDDA may reasonably require from time to time; and
- (n) information and data relating to the respective time period (calendar month) and cumulated data covering the time period up to the last Day of the respective month as well as main activities forecast for the subsequent month.

7.14.3 As soon as possible and in the reasonable consideration of the Developer, the Developer shall Notify PCBDDA if the Developer fails, or is reasonably likely to fail, to comply with the Project Schedule or to meet a milestone in the Project Schedule (such likely or actual failure constituting a "**Failure**"),

identifying the nature of the Failure and the reason for the Failure, the impact which such Failure shall have, or in the Developer's reasonable opinion, is likely to have on its ability to achieve any of the milestones set out in the Project Schedule and the steps which the Developer has taken, is taking and will take to mitigate the adverse consequences of such Failure. Nothing in this Section 7.15.3 shall relieve the Developer from complying with the Project Schedule.

7.15 Developer's Equipment

- 7.15.1 The Developer shall provide all Developer's Equipment necessary to complete the Works within the Scheduled Project Completion Date.
- 7.15.2 All Developer's Equipment brought to the Site by the Developer shall be deemed to be intended for use exclusively for the execution of the Works and the Developer shall not remove (or permit the removal of) the same from the Site without PCBDDA's consent (acting reasonably) until such Developer's Equipment is no longer required for the execution of the Works. Such consent shall not be required for vehicles engaged in transporting any personnel, Developer's Equipment or materials to or from the Site.
- 7.15.3 For the avoidance of doubt, all such equipment including the Developer's Equipment shall be hired at the cost and expense of the Developer to the complete exclusion of PCBDDA.
- 7.15.4 The Developer shall be responsible for safety and maintenance of all vehicle and Developer's Equipment such that they at all times comply with the Applicable Laws and Prudent Utility Practices whether these vehicles or Developer's Equipment are owned, hired and operated by the Developer or not. In case of non-compliance with the Applicable Laws and Prudent Utility Practices, the Developer, at its own risk and expense and without any impact on the Project Schedule of Works, shall promptly remove such vehicles and Developer's Equipment and shall replace with the ones that are compliant with the Applicable Laws and Prudent Utility Practices.

7.16 Safety Precautions

- 7.16.1 The Developer shall, during the Term, take full responsibility for the adequacy, stability and safety of all Site operations and methods of construction and for the safety of all persons entitled to be on the Site in relation to the Works, all Developer's Equipment and temporary works and structures and for the safety of all personnel entitled at the Site and shall keep the Site and the Works in an orderly state appropriate to the avoidance of danger to such persons.
- 7.16.2 The Developer shall, prior to the commencement of the Works at the Site, prepare and submit to PCBDDA, a comprehensive set of regulations to be implemented at the Site, including the relevant Site safety procedures, in connection with its Works at the Site, which shall be applicable to all persons on the Site including PCBDDA's employees.

7.16.3 The Developer shall remain responsible at all time for the safety and security of the Works, materials and the Developer's Equipment, the Developer at its own cost shall procure, construct and install temporary fence, lighting, as deemed necessary, during the period of construction which shall comply with reasonable security standards and such fence shall be dismantled just prior to expiry of the Term.

7.16.4 The Developer shall establish and maintain at the Site a primary access gate and an access policy.

7.17 Protection of the Environment

7.17.1 The Developer shall comply with all Applicable Laws and Applicable Permits in his access arrangements and operations on Site, including those pertaining to protection of the environment. During construction, the Developer shall take all necessary steps to protect the environment (both on and off the Site) and to limit damage and nuisance to people and property resulting from pollution, noise and other results of his operations.

7.17.2 The Developer shall provide properly designed storage areas which are impermeable to leakage into the surrounding soil for storage of oils, lubricants or hazardous wastes, as the case may be. Hazardous waste generated during completion of the Works will be properly disposed of by the Developer on completion of the Works as per the Applicable Laws and Applicable Permits.

7.18 Security of the Site

7.18.1 The Developer shall be responsible for keeping unauthorised encroachment and/or persons off the Site.

7.18.2 Authorised persons shall be limited to the Developer, its employees, contractors, the Subcontractors, agents, any other officers or Third Parties entering into Third Party Agreements, employees of its Subcontractor and persons authorised by PCBDDA. Facilities to inspect the Works shall at all times be afforded by the Developer to PCBDDA, PCBDDA's Representative and any other person notified to the Developer by PCBDDA.

7.19 Developer's Operations on Site

7.19.1 The Developer shall confine his operations to the Site, and to any additional areas which may be specified by the Developer and agreed by PCBDDA as working areas.

7.19.2 The Developer shall take all necessary precautions to keep his personnel, equipment and Subcontractor within the Site and such additional areas, and to keep and prohibit them from encroaching on any other property.

7.20 Maintenance of the Offices on Site

7.20.1 The Developer undertakes to ensure the following in respect of its offices located within the Site at its own cost:

- (a) the Developer shall maintain and keep the offices, in all respects, in good, hygienic and presentable conditions;
- (b) the Developer shall ensure that the offices are fully fenced and properly guarded;
- (c) the occupation of the offices by the Developer shall comply with the Applicable Laws, including the disposal of the effluent/sewage discharge as per the Applicable Laws;
- (d) the Developer shall bear all expenses, including expenses in respect of security, electricity, gas, water and telephone relating to its offices;
- (e) the Developer shall not make any additions, alterations in the offices of any permanent nature except with the prior approval of PCBDDA in writing which shall not be unreasonably withheld; and
- (f) the Developer shall at all times be solely responsible for safety and security of all personnel, offices on Site.

7.20.2 Upon expiry of this Agreement or upon early termination of this Agreement, as the case may be, the Developer shall vacate promptly the offices. If PCBDDA so desires, the Developer shall demolish and/or remove the temporary or permanent construction for the offices.

7.20.3 The Developer shall at all times indemnify and hold PCBDDA including its employees, agents, PCBDDA's Representative harmless against all claims and liabilities arising out of or in connection with any activity relating to the use of the offices.

7.21 Remedial Work

7.21.1 Notwithstanding any previous test or certification, PCBDDA may instruct the Developer to:

- (a) remove from the Site and replace any equipment (including Developer's Equipment) or materials which are not in accordance with this Agreement,
- (b) remove and re-execute any Work which is not in accordance with this Agreement, and
- (c) execute any work which is urgently required for the safety of the Works.

7.21.2 If the Developer fails to comply with any such instruction, PCBDDA shall be entitled to employ and pay other persons to carry out the work and the Developer shall be responsible to PCBDDA all costs arising from this failure.

7.22 Localisation

7.22.1 To the extent technically and commercially possible, the Developer shall, and shall cause each of its Subcontractor to, give preference to the use of Developer's Equipment and other equipment, materials and products produced and manufactured in Pakistan.

7.22.2 To the extent technically and commercially possible the Developer shall, and shall cause each of its contractors, Subcontractor, agents or Third Party under the Third-Party Agreements to, give preference to the use of Pakistani labour (both skilled and unskilled), Pakistani supervisory, professional and other personnel.

7.23 Operation and Maintenance

7.23.1 Following the Project Completion Date, the Developer shall be responsible for the operation and maintenance of [name of the project] in accordance with the requirements set forth in Schedule 6 (Operation and Maintenance).

7.23.2 The Developer shall at all times carry out or procure at its own cost and expense routine, regular, periodic and preventive maintenance.

7.24 Approvals

7.24.1 The Developer shall be deemed to have itself of all Applicable Permits required for the performance of the Works and its obligation under this Agreement.

7.24.2 The Developer shall be responsible for obtaining and thereafter maintaining all Applicable Permits at its own cost, risk and expense. The Developer shall obtain all Applicable Permits on or before the Commencement Date.

7.25 Taxes and Subsidies

7.25.1 The Developer shall be responsible to make all payments in respect of the rates, Taxes, charges, levies, assessments or equivalent Taxes levied.

7.25.2 The Developer fully understands that the PCBDDA shall not provide any guarantee, subsidy, grant or any financial support of any nature to the Developer in respect of the Project other than as provided under this Agreement.

7.26 Third Party Agreements

7.26.1 The Developer and PCBDDA agree that all Third-Party Agreements(s) entered into by the Developer with the Third Parties shall not be inconsistent with the terms and conditions of this Agreement, and shall terminate on or prior to the earlier of (a) termination of this Agreement; and (b) expiry of the Term.

7.26.2 The Developer hereby undertakes that it shall:

- (a) ensure that the Third-Party Agreements(s) are entered into on an arm's length basis;
- (b) ensure that the assets created and/or constructed pursuant to the Third-Party Agreements vest in PCBDDA upon the earlier of (a) termination of this Agreement; and (b) expiry of the Term;

- (c) ensure that the Subcontractor(s) performs its obligations in the same manner that the Developer is required to perform its obligations under this Agreement; and
- (d) deliver copies of all Third-Party Agreements(s) exceeding value of PKR [•] to PCBDDA within thirty (30) days of its execution.

7.26.3 Where a Developer Event of Default occurs as a result of an event of default of a Subcontractor under its Third Party Agreements or as a result of non-performance of the subcontracted part of Works in accordance with the terms of this Agreement, the Developer shall have the right to remedy the default or breach or defect, as the case may be, at its own cost and without any recourse to PCBDDA provided however, in case such defects, defaults or breach, as the case may be, is not remedied within thirty (30) days of the Subcontractor(s) default or breach, such event of default of the Subcontractor shall be considered as Developer's Event of Default and the provisions of Section 14 (Termination) shall apply.

7.26.4 The Developer shall not be permitted to sub-contract the entire Works to a Third Party and breach by the Developer of the foregoing shall be deemed as a Developer Event of Default.

FOR REFERENCE ONLY

8 DEVELOPER'S DOCUMENTS

8.1 Developer's Documents

- 8.1.1 The Developer's Documents, including such documents set forth in the Technical Specifications are to be submitted to PCBDDA for review and comment (if any) and for information in accordance with the Developer's Document. Except as otherwise provided in the Agreement, PCBDDA shall return, comment or raise queries on the Developer's Documents in a reasonable time and manner. The Developer shall amend such Developer's Documents or otherwise take account of, or respond to, PCBDDA comments or queries and resubmit such Developer's Documents for review and PCBDDA shall review such amended Developer's Documents within a reasonable time. Any purchase orders based on such Developer's Documents and issued by the Developer prior to the completion of the review and comment process shall be at the Developer's risk and issuance of such purchase orders shall not relieve the Developer from its obligation to implement and accommodate comments of PCBDDA.
- 8.1.2 PCBDDA shall only comment or raise any query on any Developer's Document submitted for review if:
- (a) the Developer's Document is not in accordance with this Agreement;
 - (b) the Developer's Document do not comply with Prudent Utility Practice;
 - (c) the Developer has not established to the reasonable satisfaction of PCBDDA that:
 - (i) any comments made by PCBDDA on any prior submission are not comments of which the Developer is required to take account under this Agreement; or
 - (ii) any Developer's Document upon which PCBDDA has raised a query is in accordance with this Agreement and complies with Prudent Utility Practice.
- 8.1.3 The Developer shall correct, at its own cost, any discrepancy, error, omission in any document prepared by the Developer or on its behalf (whether such document has been reviewed by or on behalf of PCBDDA) and shall Notify PCBDDA promptly of any such correction.
- 8.1.4 The Developer's Documents shall comprise the technical documents specified in this Agreement, documents required to satisfy all Applicable Permits, and such other documents as are required or described under this Agreement and the Schedules hereto. The Developer's Documents shall be written in English.
- 8.1.5 The Developer shall prepare all Developer's Documents and shall also prepare any other documents as required by the PCBDDA.
- 8.1.6 The Developer's Documents that are to be submitted to PCBDDA for review pursuant to the terms of this Agreement shall be submitted accordingly, together with a Notice as described below.

- 8.1.7 In the following provisions of this Section, "**review period**" means the period required by PCBDDA for review, "**Developer's Documents**" exclude any documents which are not specified as being required to be submitted for review, without derogating from the scope of the expression "**Developer's Documents**" as used elsewhere in the Agreement.
- 8.1.8 Unless otherwise stated in this Agreement, each review period shall not exceed [fourteen (14) Days], calculated from the date on which PCBDDA receives a Developer's Document in accordance with this Section 8 (*Developer's Documents*) and the Developer's Notice. This Notice shall state that the Developer's Document in question is considered ready, both for review in accordance with this Section 8 (*Developer Documents*) and for use. The Notice shall also state that the Developer's Document complies with this Agreement or shall state the extent to which it does not so comply.
- 8.1.9 PCBDDA may, within the review period, give Notice to the Developer that a Developer's Document fails (to the extent stated) to comply with the Agreement. If a Developer's Document so fails to comply, it shall be rectified, resubmitted and reviewed in accordance with this Section 8 (*Developer Documents*), at the Developer's cost.
- 8.1.10 For each part of the Works, and except to the extent that the Developer and PCBDDA otherwise agree:
- (a) execution of such part of the Works shall not commence prior to the expiry of the review periods for all the Developer's Documents which are relevant to its execution;
 - (b) execution of such part of the Works shall be in accordance with these Developer's Documents, as submitted for review; and
 - (c) if the Developer wishes to modify any design or document which has previously been submitted for review, the Developer shall immediately give Notice to PCBDDA. Thereafter, the Developer shall submit revised documents to PCBDDA in accordance with the above procedure.
- 8.1.11 Any such agreement (under the preceding paragraph of this Section 8.1 or any review under this Section 8.1 or otherwise) shall not relieve the Developer from any obligation or responsibility under this Agreement.

8.2 Drawings and Documents

- 8.2.1 In principle, all requirements defined for drawings in this Agreement shall also be applied for documents as applicable, and vice versa. The Developer shall prepare all necessary drawings, layout drawings, assembly drawings, and detail drawings and provide PCBDDA with hard copies and soft copies (prepared on AutoCAD or any other software acceptable to PCBDDA), giving full and complete information about the Project to enable PCBDDA to properly review the Works.
- 8.2.2 The Developer shall prepare a detailed design based on the Approved Master Plan, in accordance with the Technical Specifications and with Good Industry Practice and the relevant laws of Punjab or Pakistan (as applicable),

that meets the requirements of functional adequacy, structural integrity and safety (the "Detailed Design").

- 8.2.3 The Developer may submit the Detailed Design for components of the Construction Works in batches; provided, however, that all components of the Detailed Design are submitted to the Independent Engineer no later than forty-five (45) days of the Effective Date subject to the extension by the written agreement executed between the Parties.
- 8.2.4 By submitting the Detailed Design to the Independent Engineer, the Developer shall be deemed to represent that it has determined and verified that the design and engineering, including, field construction criteria related thereto, conform to the prescribed standards and specifications, are in accordance with the Design Requirements and Good Industry Practice.
- 8.2.5 The Developer shall submit five (5) copies of the Detailed Design to the Independent Engineer, which shall review the Detailed Design within one (1) month of receipt of the Detailed Design, seeking clarifications, amendments and revisions from the Developer on the Detailed Design as necessary.
- 8.2.6 The Independent Engineer shall, after getting the Detailed Design revised if necessary, submit such Detailed Design with clear recommendations to PCBDDA to approve or reject, or partially approve or partially reject the Detailed Design. PCBDDA shall inform the Developer in writing of its approval or rejection, or partial approval (the "Approved Detailed Design") or partial rejection of the Detailed Design within three (3) weeks of the date of submission of the Detailed Design.
- 8.2.7 If PCBDDA informs the Developer in writing of its objection to the Detailed Design within three weeks of receipt of the same, the Developer shall, after making any appropriate changes, resubmit the Detailed Design (or the relevant parts thereof, as the case may be) to the Independent Engineer in the manner prescribed in Clause 8.2.4. The resubmitted Detailed Design shall be considered by PCBDDA for approval or rejection, or partial approval or partial rejection within three (3) week period of receipt of the same.
- 8.2.8 PCBDDA shall endorse three (3) sets of the Approved Detailed Design, one (1) set of which shall be retained by PCBDDA while the one (1) set each shall be returned to the Developer and the Independent Engineer respectively.
- 8.2.9 Approval of the Detailed Design shall not be construed as a warranty by PCBDDA of the safety, durability, reliability or viability of the Approved Detailed Design. The Developer shall be solely responsible for the adequacy of the Detailed Design and shall not be relieved or absolved in any manner whatsoever from any of its obligations hereunder notwithstanding any review, comment or observation made by PCBDDA or the absence of the same from PCBDDA in approving the Detailed Design.
- 8.2.10 The Developer shall be responsible for delays in submitting the Detailed Design and/or delays caused by the inadequacy thereof and shall not be entitled to seek any relief in that regard from PCBDDA.
- 8.2.11 The sequence of submission of drawings shall be such that general/basic information is provided for review/approval before any detail information is sent to PCBDDA to enable to review/approve of these drawings without additional need for further information and background. PCBDDA shall have the right to get access and to review all drawings of any portion of the Works

at any reasonable time in the offices or factories of the Developer, agents, contractors, Subcontractors or Third Parties under the Third-Party Agreements.

8.2.12 As-Built Documents:

- (a) The Developer shall prepare, and keep up-to-date, a complete set of "as-built" records of the execution of the Works, showing the exact as-built locations, sizes and details of the work as executed. These records shall be kept on the Site and shall be used exclusively for the purposes of this Section 8.2.
- (b) The Developer shall supply as-built documents to PCBDDA for review as prepared in accordance with this Section 8.2. The Developer shall obtain the consent of PCBDDA as to their size, the referencing system, and other relevant details.
- (c) The Developer shall submit the final as-built documents within [one (1) month] from the Effective Date in accordance with this Section 8.2.

8.3 Developer Not to Depart

8.3.1 The Developer shall execute the Works and shall ensure that all Works are in accordance with the Developer's Documents reviewed and approved by PCBDDA and all other requirements of this Agreement.

8.3.2 The Developer shall not depart from any Developer's Document previously submitted to PCBDDA unless it has first submitted an amended Developer's Document to PCBDDA and, in the case of Developer's Documents originally submitted for approval, obtained approval therefor or, in the case of other Developer's Documents, PCBDDA have made no adverse comment thereon.

8.4 PCBDDA's Right to Examine Documents

8.4.1 PCBDDA after giving reasonable prior Notice has the right, during business hours, to examine any Developer's Document, which has been or is being prepared by the Developer agents, contractors, Subcontractors or Third Parties under the Third-Party Agreements for the purposes of this Agreement provided that proprietary know-how which is confidential to PCBDDA may be excluded.

8.5 Effects of PCBDDA's Review and Comments

- 8.5.1 Neither the submission of any document nor its review, nor its approval, the making of comments or the raising of queries thereon, nor suggestions or recommendations on the same by PCBDDA shall prejudice or affect any of the Developer's obligations with respect to the Works. Before acting on them, the Developer shall check and verify that any such comments or queries, suggestions and recommendations are proper and correct and shall not give rise to a breach of this Agreement and any review and approval of PCBDDA shall not absolve the Developer from any liability in respect of the Works, including design.
- 8.5.2 If the Developer reasonably determines that any suggestion or recommendation of PCBDDA is in breach of this Agreement, the Developer shall Notify PCBDDA of the same and proceed according to this Agreement.

8.6 Remedial Work Following Defective & Inadequate Information

- 8.6.1 The Developer shall at its own expense carry out any alterations or remedial work to the Works necessitated by any discrepancies, errors or omissions referred to in Section 8 (Developer's Documents).
- 8.6.2 If the Developer fails to commence and proceed properly and expeditiously with the carrying out of such alterations or remedial work within a reasonable time, PCBDDA may engage its own employees or other person or any other third parties to carry out such work, and the Developer shall be liable for all costs and charges incurred by PCBDDA.
- 8.6.3 The Developer shall reimburse PCBDDA for any cost or expense which PCBDDA may have incurred as a result of PCBDDA's reliance on any Developer's Document which, pursuant to this Section 8 (*Developer's Documents*) the Developer is to correct at its own expense where and to the extent that such cost would not have been incurred if the Developer had originally supplied the corrected Developer's Document. Such cost shall include the cost of removing work previously installed.

9 STAFF AND LABOUR

9.1 Engagement of Staff and Labour

9.1.1 The Developer shall make its own arrangements for the engagement of all its employees, staff and labour, local or otherwise, and for their payment, housing, food and transport.

9.2 Persons in the Service of PCBDDA

9.2.1 The Developer shall not recruit, or attempt to recruit, its staff and labour from amongst persons in the service of PCBDDA.

9.3 Labour Laws

9.3.1 The Developer shall comply, and shall cause its agents, contractors, Subcontractors/Third Parties under the Third-Party Agreements to comply, with all the relevant labour laws applying to their employees, and shall duly pay and afford to them all their legal rights under Applicable Laws and Applicable Permits.

9.3.2 The Developer shall be responsible for making all payments/contributions to its workers (including those employed indirectly through its subcontractors) or Competent Authority in accordance with the Applicable Laws and Applicable Permits. The Developer shall immediately upon payment of such contributions provide copies of receipts issued by the concerned Competent Authority to PCBDDA.

9.4 Key Personnel

9.4.1 The Developer must engage the key personnel on permanent basis till the Project Completion Date.

9.4.2 The Developer shall not change or demobilise any key personnel without the prior written consent of PCBDDA which shall not be unreasonably withheld. Any replacement personnel proposed by the Developer shall have equal or greater experience than the personnel being replaced.

9.4.3 The key personnel (including any substitute or replacement key personnel member) must be permanent senior staff of the Developer and must be fully skilled, competent, qualified and experienced in the field and position.

10 MATERIAL AND WORKS

10.1 Manner of Execution

10.1.1 All Works shall be executed in the manner set out in this Agreement. The Works shall be executed in a proper, workmanlike and careful manner with properly equipped facilities and non-hazardous materials, in accordance with recognised good practice and Prudent Utility Practices.

10.2 Manner of Execution and Delivery to Site

10.2.1 The Developer shall be responsible for procurement, transport, receiving, unloading and safe keeping of all materials, Developer's Equipment and other things required for the completion of the Works.

10.2.2 From the time of the applicable materials' delivery, the Developer shall be responsible for its receipt, transportation (to Site), unloading and safe keeping of all Materials at Site.

10.3 Inspection

10.3.1 PCBDDA (including PCBDDA's Representative) shall be entitled, at any places where work is being carried out, to inspect, examine and test the materials and workmanship, and to check the progress of all materials to be supplied under the Agreement.

10.3.2 The Developer shall provide full opportunity to PCBDDA (including PCBDDA's Representative) to inspect, examine, measure and test any materials (as and when it is received on the Site) and Works performed on Site (from time to time). All charges toward inspection and/or testing of the materials by the PCBDDA (including PCBDDA's Representative) shall be borne by the Developer.

11 COMMENCEMENT AND DELAYS

11.1 Scheduled Completion

11.1.1 The Developer shall achieve the Grey Structure Completion Date on or before the Scheduled Grey Structure Completion Date.

11.1.2 The Developer shall complete the Finishing and Works in all respects and shall achieve the Project Completion Date on or before the Scheduled Project Completion Date.

11.2 Extension of time

11.2.1 The Developer may apply for an extension of the Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case may be, if it is being delayed due to occurrence of a Material Adverse Impediment and/or Force Majeure Event.

11.2.2 The Developer is expressly excluded from any extension of the Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case may be, due to:

- (a) delays in obtaining labour or delivery of goods or services from any agents, contractors, Subcontractors or Third Parties under the Third-Party Agreements;
- (b) physical conditions at the Site of any kind or character unless such conditions are caused by Force Majeure Event;
- (c) actions/inactions of Competent Authority of Pakistan, unless such action or inaction by a Competent Authority directly results in delay or disrupts the Developer's work and that such delay or disruption was not reasonably foreseeable by the Developer and provided further that the Developer had diligently and timely followed the procedures laid down by such Competent Authority in Pakistan; and
- (d) any delay arising from the Developer's act or omission.

11.2.3 The Developer shall be entitled to an extension of the time under this Section 11.2 by the amount of time the Developer is actually delayed by the relevant Force Majeure Event, provided that the Developer has followed all requirements of Section 16 (*Force Majeure*).

11.2.4 The Developer is further required to submit to PCBDDA (with a copy to the Independent Engineer), as part of its request for an extension of the time under this Section 11.2, an acceleration schedule to demonstrate how such delay can be eliminated and whether any steps can be taken to minimise the effects of the delay. The Developer shall keep such contemporary records as may be necessary to substantiate any application for an extension in the Scheduled Grey Structure Completion Date or Scheduled Project Completion Date, as the case may be, either on the Site or at another location acceptable to PCBDDA, and such other records as may be reasonably requested by PCBDDA. The Developer shall permit PCBDDA to inspect all such records and shall provide PCBDDA (with a copy to the

Independent Engineer) with copies as required before allowing any extension in the Scheduled Grey Structure Completion Date or Scheduled Project Completion Date to the Developer.

- 11.2.5 PCBDDA shall proceed in accordance with Section 6.4 (*PCBDDA's Determination*) to agree or determine either prospectively or retrospectively such extension of the Scheduled Grey Structure Completion Date or Scheduled Project Completion Date, as the case maybe, as may be due with a prior approval of the Independent Engineer. PCBDDA shall Notify the Developer accordingly. When determining each extension of time, PCBDDA shall review his previous determinations and may revise, but shall not decrease the total extension of time.
- 11.2.6 Any extension of time granted by PCBDDA in consultation with the Independent Engineer to the Developer shall, except as provided elsewhere in this Agreement, be the Developer's sole remedy in respect of any matter or thing in connection with which such extension shall have been granted. This does not in any manner preclude the Developer from disputing the decision of PCBDDA in arbitration or any other dispute resolution process.
- 11.2.7 A failure by PCBDDA to grant the Developer an extension of the time under this Section 11.2, promptly shall not be a deemed assessment and direction for an extension of the time as claimed.

11.3 Rate of Progress

- 11.3.1 If at any time the Developer's actual progress falls behind the Project Schedule or fails to meet the Critical Project Milestone in accordance with this Agreement as adjusted for extensions to the Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case may be, due to a Force Majeure Event, or it becomes apparent that it will so fall behind schedule, the Developer shall no later than [fifteen (15) Days] submit to PCBDDA a revised Project Schedule taking into account the prevailing circumstances for its approval with a copy to the Independent Engineer. The Developer shall, at the same time, Notify PCBDDA of the steps being taken to expedite progress, so as to achieve completion within the Scheduled Project Completion Date. PCBDDA shall review the revised Project Schedule provided by the Developer in accordance with this Section 11.3.1 and approve the same in its sole discretion. Except in the case of a Force Majeure Event, in the event PCBDDA does not approve the revised Project Schedule, the Developer shall be obliged to comply with the Project Schedule provided under Section 7.14 (*Project Schedule*). For the avoidance of doubt, the costs of implementing such steps or of revising the Project Schedule shall be solely for the Developer's account.
- 11.3.2 To the extent any steps taken by the Developer in meeting his obligations under this Section 11.3 (*Rate of Progress*) due to delays attributable to the Developer, cause PCBDDA to incur additional costs, such costs shall be recoverable from the Developer by PCBDDA, subject to proper documentation and proof, and may be deducted by PCBDDA from any monies due, or to become due, to the Developer.

11.3.3 If the Developer falls behind Critical Project Milestone so as to delay the Scheduled Project Completion Date, except to the extent the Developer is entitled hereunder to an extension of the Scheduled Project Completion Date, the Developer shall, upon written Notice by PCBDDA and at no additional cost to PCBDDA, develop a recovery schedule and work such hours (including night shifts, weekends and holidays) and furnish such additional labour and equipment as necessary to eliminate such delay.

11.3.4 If the Developer fails to comply with its obligations under this Section 11, PCBDDA may engage additional resources (including engaging additional personnel and third-party Developers) as it considers necessary to expedite the performance of the Works and ensure compliance with the Project Schedule and the Critical Project Milestone.

11.4 Liquidated Damages for Delay

11.4.1 If:

- (a) the Grey Structure Completion Date is not achieved by the Scheduled Grey Structure Completion Date; or
- (b) the Project Completion Date is not achieved by the Scheduled Project Completion Date;

then the Developer acknowledges that PCBDDA will suffer substantial damages which are difficult to accurately specify and ascertain. In such event, the Developer shall be liable to pay PCBDDA, Delay Liquidated Damages in the amounts set out in Schedule 9 (*Liquidated Damages*) for each Day that the Grey Structure Completion Date extends beyond the Scheduled Grey Structure Completion Date or the Project Completion Date extends beyond the Scheduled Project Completion Date (“**Delay Liquidated Damages**”), as the case may be. The maximum liquidated damages payable to PCBDDA by the Developer shall be subject to a maximum of the Performance Security Amounts. (“**Delay Liquidated Damages Cap**”).

11.5 No Further Liability to Pay Liquidated Damages for Delay

11.5.1 Once the Developer has paid all applicable Delay Liquidated Damages to PCBDDA for delay pursuant to Section 11.4 (*Liquidated Damages for Delay*), the Developer shall be relieved of any further liability in respect of such delay (other than any liability arising from PCBDDA terminating the Agreement in accordance with Section 14 (*Termination*)).

11.6 Payment of Liquidated Damages for Delay

11.6.1 PCBDDA shall, subject to first seeking payment of the Delay Liquidated Damages payable pursuant to this Section 11 (Commencement and Delays) from the Developer and his failure to make the payment within ten (10) Days of a demand made by PCBDDA, be entitled to recover the amount of the Delay Liquidated Damages mentioned in this Section 11 (Commencement and Delays) from the Performance Security.

11.6.2 The Developer and PCBDDA agree that the Delay Liquidated Damages provided herein are a reasonable estimate and forecast of the actual costs,

losses and expenses PCBDDA will incur as a result of events listed above and do not constitute a penalty. The Developer and PCBDDA, having bargained in good faith for such specific damages, are estopped from contesting the adequacy, validity or enforceability of such damages.

11.6.3 The payment or deduction of such Delay Liquidated Damages shall only relieve the Developer from its failure to achieve the Scheduled Grey Structure Completion Date or the Scheduled Project Completion Date, as the case maybe, but not its other obligations to complete the Works, remedy any defects or from any other of his duties, obligations or responsibilities under the Agreement.

11.6.4 Any Delay Liquidated Damages payable to PCBDDA by the Developer shall be first determined/certified by the Independent Engineer and/or the Independent Auditor, as the case may be.

FOR REFERENCE ONLY

12 SITE

12.1 Lease Agreement

- 12.1.1 Within [thirty (30) Days] of the Effective Date, the Developer and PCBDDA shall enter into a lease agreement which shall provide for the handover to and possession by PCBDDA of Land ("**Lease Agreement**"). The Lease Agreement shall be in the form and manner provided in Schedule 10 (*Lease Agreement*). Each Lease Agreement shall be signed and registered within [five (5)] days of its execution.
- 12.1.2 The Developer shall be responsible for all payments to be made in connection with the Lease Agreement in accordance with the Applicable Laws including, without limitation, stamp duty, registration fees & charges and capital value tax and shall take all steps to ensure that the Lease Agreement is registered with the Competent Authority under the Applicable Laws.
- 12.1.3 The tenure of each Lease Agreement shall be for a period of [• years] from the date of its execution or the termination of this Agreement, whichever is earlier (the "**Lease Term**"), when the title of Land shall be transferred to the Developer as per the terms set out in the Lease Agreement.
- 12.1.4 All present and future federal, provincial, municipal, city district government, taxes, duties, levies or other impositions whatsoever arising out of and as a result of the Lease Agreement shall be paid by the Developer. Any payments made by PCBDDA on behalf of the Developer shall be reimbursed by the Developer to PCBDDA within ten (10) days of such payment by PCBDDA.
- 12.1.5 The Developer hereby indemnifies PCBDDA from all liabilities, claims, damages, costs, penalties, fines, expenses, fees (including attorney's fees) and charges of any nature associated with any non-compliance by the Developer of its obligations contained in this Section 12.1.

12.2 PCBDDA Payments (Lease Rent & Land Title Transfer Payment)

- 12.2.1 The lease rent for the Site shall be paid by the Developer to PCBDDA, from time to time, in accordance with Schedule 13 ("*Payment Terms*")¹ (the "**Lease Rent**"). The Developer and PCBDDA agree that Lease Rent shall be paid by the Developer to the PCBDDA during the construction period on a monthly basis from the Effective Date or such later date as may be specified by PCBDDA at its discretion.
- 12.2.2 Following the achievement of Project Completion Conditions, the Developer shall be entitled to apply to the Independent Engineer to certify that the Works and or Finishing has been completed in accordance with this Agreement. The application by the Developer shall be supported by the relevant documents which may be required by the Independent Engineer to give the requisite certification.

¹ Schedule 13 to be finalised in accordance with Schedule C (Financial Proposal Standard Form) to the RFP

- 12.2.3 The Independent Engineer shall, within [seven (7) Days] from the receipt of the application made by the Developer under this section:
- i. Issue a certificate (with a copy to PCBDDA and Independent Auditor) confirming that the Finishing has been completed by the Developer in accordance with this Agreement; or
 - ii. Inform the Developer that the Finishing (with a copy to PCBDDA and Independent Auditor) has not been completed to his satisfaction and inform the Developer the steps required to be undertaken by the Developer to achieve the Finishing Completion Conditions.
- 12.2.4 Following the completion of the relevant Project Completion Conditions in accordance with Section 12.2.4(ii) (if applicable), the Developer shall be entitled to apply to the Independent Engineer in accordance with this Section 12.2.4 to transfer the title of Land as per the terms set out in the Lease Agreement whereupon the Developer shall pay Land Title Transfer Payment in accordance with Schedule 13 (“*Payment Terms*”) based on which title of the Land shall be transferred to the Developer by PCBDDA.
- 12.2.5 In the event the amounts received by PCBDDA from the Developer are less than the PCBDDA Payments, PCBDDA shall be entitled to encash the Performance Security to the extent of the outstanding amount of the PCBDDA Payments payable by the Developer plus any mark-up at the rate of 5% percent per annum.

12.3 Material Adverse Impediment

- 12.3.1 PCBDDA shall be responsible for removal of impediments on the Project Site, whether physical or legal, to the construction and, operation and maintenance of the Project Site, which impediments:
- (a) compromise access to the Project Site; or
 - (b) compromise possession of the Project Site
- (each a “**Material Adverse Impediment**”) provided, however, that the Developer shall Notify PCBDDA of a Material Adverse Impediment, whether physical or legal, to the construction and/or, operation and maintenance of the Project which:
- (a) causes a Material Adverse Effect; and
 - (b) is not attributable to the Developer
- 12.3.2 Any Notice issued by the Developer pursuant to Section 12.3.1 shall be duly verified and certified by the Independent Engineer prior to submission to the PCBDDA and the Independent Engineer shall, prior to delivery of such Notice to PCBDDA, duly certify in the Notice, inter alia, the occurrence and subsistence of the Material Adverse Impediment and the time period required for removal of the same. Upon receipt by PCBDDA of the Notice duly verified and certified by the Independent Engineer (the “**Certified Impediment Notice**”), PCBDDA shall act so as to remove such Material Adverse Impediment within the period to remove the Material Impediment. In the event the Developer suffers delays in the performance of its obligations, in each case, as a direct result of the Material Adverse Impediment, the same shall entitle the Developer to issuance of a relief

request and in such case, the provisions of Section 12.4 (*Relief Orders*) shall apply.

12.4 Relief Order

12.4.1 In case the Developer submits a relief order request to the Independent Engineer and the Independent Auditor (with a copy to the PCBDDA) pursuant to Section 12.4.2 then prior to the Independent Auditor and the Independent Engineer issuing a Relief Order, the Developer shall prepare and submit to the Independent Auditor and the Independent Engineer (with a copy to the PCBDDA), as soon as practicable, a detailed proposal (the “**Relief Order Proposal**”) containing:

- a) a description of the proposed work to be performed and a detailed Program for its execution;
- b) the Developer’s proposal for any adjustments to Scheduled Project Completion Date, accompanied by detailed pricing and documentary evidence;
- c) a statement whether and the extent to which, in Developer’s opinion, the proposed proposals contained in the Relief Proposal would, notwithstanding the exercise of all due skill and care, prevent the Developer from performing its obligations under the Agreement,

provided, however, each Relief Order Proposal submitted by the Developer that proposes an extension to Scheduled Project Completion Date shall be additionally subject to the provisions and requirements of Section 12.4.5 (*Additional Requirements for Relief Orders Relating to Extension of Scheduled Project Completion Date*);

provided, further, however, in the event of submission of any Relief Order Proposal, the Developer shall provide such additional information as PCBDDA, the Independent Engineer and/or the Independent Auditor may reasonably request; and

provided, further, however, the Developer shall keep and maintain such contemporary records (as may be necessary to substantiate any proposals contained in the Relief Order Proposal) as may reasonably be requested by the Independent Engineer, the Independent Auditor and /or PCBDDA and the Developer shall permit the Independent Engineer, the Independent Auditor and /or PCBDDA to inspect all such records and shall provide the same Representative with copies as required.

12.4.2 The Developer and PCBDDA agree that compliance by the Developer with the provisions of this Section 12.4 (*Relief Orders*) shall be a condition precedent to the Independent Engineer and the Independent Auditor issuance of a Relief Order, unless waived in writing by the PCBDDA. Further, notwithstanding anything to the contrary contained herein:

- a) if the Works (or any part thereof) are not in accordance with this Agreement, any rectification in that respect undertaken by the Developer shall not entitle the Developer to issuance of a Relief Order;
- b) the Developer is expressly precluded from any extension of the Scheduled Project Completion Date due to delays resulting from any act or omission of the Developer;

- c) the Developer shall not be entitled to any extensions of the Scheduled Project Completion Date for any delays or failure to perform and hence shall not be entitled to initiate relief order request for issuance of a Relief Order to the extent the Developer is, in any case, in delay of performance of its obligations under the Agreement.

12.4.3 Following receipt by the Independent Engineer and the Independent Auditor from the Developer of the Relief Order Proposal, the Independent Engineer and the Independent Auditor shall review the Developer's proposals contained in the Relief Order Proposal, for the purpose of determining:

- a) the occurrence and subsistence of a Material Adverse Impediment and the Developer's entitlement to issuance of the Relief Order Proposal;
- b) whether to proceed with the proposals submitted by the Developer in its submitted Relief Order Proposal;
- c) (if applicable) any amendments or modifications to the estimates and proposals submitted by the Developer in the Relief Order Proposal;
- d) other matters set forth in the Relief Order Proposal including determination of extension of Scheduled Project Completion Date; and
- e) any other matters considered necessary by the Independent Engineer and the Independent Auditor for the purposes of issuance of the Relief Order.

12.4.4 Following the Independent Engineer and the Independent Auditor's determination of matters set out in Section 12.4.3 (together with any other matters relating to their evaluation for issuance for Relief Order), the Independent Engineer and the Independent Auditor shall either amend, approve or disapprove in writing the Developer's submitted proposals contained in the Relief Order Proposal within twenty-one (21) days following receipt by the Independent Engineer and the Independent Auditor from the Developer of the Relief Order Proposal. If the Independent Engineer and the Independent Auditor amend, modify or reject the Relief Order Proposal, in each case, submitted by the Developer, the Developer shall submit a revised Relief Order Proposal and Relief Order Request taking into account the amendments, modifications and comments on the same made by the Independent Engineer and the Independent Auditor, which shall be subject to approval by the Independent Engineer and the Independent Auditor within twenty-one (21) days of submission of the revised Relief Order Proposal. In the event of the Independent Engineer and the Independent Auditor's approval of the Relief Order Proposal or, if applicable, a revision of the same approved by the Independent Engineer and the Independent Auditor, it is agreed that the Independent Engineer and the Independent Auditor shall jointly issue a written order of Relief Order to PCBDDA and the Developer simultaneously. All extensions in Scheduled Project Completion Date, as applicable, shall be expressly set out in the Relief Order and shall be binding on the Developer and PCBDDA; provided, however, that such extensions in Scheduled Project Completion Date set in the Relief Order shall not be in excess of the Developer's request under the Relief Order Proposal.

12.4.5 Subject to the terms of this Agreement, the Works shall not be delayed pending the issuance of a Relief Order by the Independent Auditor and the Independent Engineer or by the granting of an extension of Scheduled Project Completion Date.

FOR REFERENCE ONLY

13 PROJECT COMPLETION

13.1 Transfer of Rights from the Developer to Allottees

- 13.1.1 Unless otherwise provided in the Applicable Laws, the Developer shall allot the [units/apartments/houses] constructed on the Land at any time after [%] percentage completion of the Grey Structure Completion Conditions.
- 13.1.2 The Developer shall issue the letter to the potential buyers of the [units/apartments/houses] to be constructed on the Land transferring the ownership rights strictly in accordance with the form and manner agreed to between the Developer and PCBDDA which can be assigned to PCBDDA and shall be in the form and manner provided in Schedule 11 (the “**Sub-Lease Agreement**” or the “**Allotment Letter**”).
- 13.1.3 Upon issuance of the Allotment Letter in accordance with this Section 13, a [Developer’s allottee/customer] shall only be entitled to transfer the Allotment Letter of its [units/apartments/houses]
- (a) if the transferee of the Allotment Letter by the [Developer’s allottees/customers] is approved by the PCBDDA;
 - (b) Such [Developer’s allottees/customers] is not in default of the terms of the Allotment Letter and there are no outstanding dues payable by such [Developer’s allottees/customers] to the Developer;
 - (c) The prescribed transfer fee has been deposited by the [Developer’s allottees/customers] to the Developer.
- 13.1.4 Developer shall ensure that the Allotment Letter/Sub-Lease Agreement executed by it in favour of the [Developer’s allottees/customers] is duly stamped and registered. Further, the Developer shall provide PCBDDA relevant details of Allotment Letters (together with certified (as being true and correct copies) executed Sub-Lease Agreements within thirty (30) days of execution of each such Sub-Lease Agreements.
- 13.1.5 The Developer undertakes that all Allotment Letters shall be in conformity with the terms and conditions of this Agreement and the Lease Agreement and shall include provisions to the effect that in the event of a conflict (direct or indirect) between the provisions of this Agreement or the Lease Agreement and the Allotment Letter/Sub-Lease Agreement, the provisions of this Agreement or the Lease Agreement (as the case may be) shall prevail and such Allotment Letter shall stand modified to that extent.

14 TERMINATION

14.1 Default of the Developer

14.1.1 If the Developer:

- (a) abandons or repudiates this Agreement;
- (b) without reasonable excuse, fails to commence the Works, proceed with the Works or to demonstrate that sufficient capability is employed in the performance of the Works to achieve completion of the Grey Structure Completion Conditions by the Scheduled Grey Structure Completion Date or Finishing Completion Conditions by the Scheduled Project Completion Date;
- (c) fails to achieve the Grey Structure Completion Conditions by the Required Grey Structure Completion Date;
- (d) fails to achieve the Finishing Completion Conditions by the Scheduled Project Completion Date;
- (e) fails to pay any and all payments required to be made to the Independent Auditor or the Independent Engineer, as the case maybe, in accordance with the Independent Auditor Contract or the Independent Engineer Contract, as the case maybe;
- (f) fails to pay PCBDDA Payments in accordance with this Agreement including Lease Rent;
- (g) fails to meet any of the Critical Project Milestone in accordance with this Agreement;
- (h) fails to comply with any of the requirements of any Applicable Laws and Applicable Permits and after being so required to apply, does not rectify its default within a reasonable period of time;
- (i) creates an encumbrance on the Site;
- (j) incurs a financial indebtedness in breach of this Agreement;
- (k) commits a breach of Section 7.7.1 (Restriction on Transfer of Shares);
- (l) fails to operate and manage the Site in accordance with Schedule 6 (Operation and Maintenance)
- (m) does not renew, replenish, replace or provide the Performance Security in accordance with this Agreement;
- (n) a court makes an order that the Developer be wound up or a resolution for a voluntary winding-up of the Developer is passed;
- (o) any receiver or manager in respect of the Developer is appointed or possession is taken by or on behalf of any creditor of any property that is owned by the Developer;
- (p) any voluntary arrangement is made for a composition of debts or a scheme of arrangement is approved in respect of the Developer;
- (q) becomes bankrupt or insolvent, goes into liquidation, has a receiving order made against him, compounds with his creditors, or carries on

business under a receiver, trustee or manager for the benefit of his creditors, or if any act is done or event occurs which (under Applicable Laws) has a similar effect to any of these acts or events;

- (r) any statement, representation or warranty made by the Developer in this Agreement proves to have been incorrect, in any material respect, when made and such incorrect statement, representation or warranty has a Material Adverse Effect on the Developer's ability to perform its obligations under this Agreement and/or on the Project or has a Material Adverse Effect on the rights and/or obligations of PCBDDA under this Agreement;
- (s) is otherwise in Material Breach of any obligation under this Agreement.

14.1.2 If an event of default has occurred and PCBDDA wishes to terminate this Agreement, it shall serve a Notice of termination (the "**Notice of Intent to Terminate by PCBDDA**") on the Developer.

14.1.3 The Notice of Intent to Terminate by PCBDDA shall specify the type and nature of the event of default that has occurred.

14.1.4 The following cure periods (each a "**Cure Period for Developer**") shall apply:

- i. In the case of a default arising under Section 14.1.1(a) to Section 14.1.1(f), Section 14.1.1(g), Section 14.1.1(h), Section 14.1.1(l) and Section 14.1.1(r), the Cure Period for Developer shall be thirty (30) Days;
- ii. In case of a of a default arising under Section 14.1.1(i), Section 14.1.1(j), Section 14.1.1(k) and Section 14.1.1(m), the Cure Period for the Developer shall be five (5) Days; and iii. In case of any other default arising under Section 14.1.1, the Cure Period for the Developer shall be forty-five (45) Days;

14.1.5 In the event the Developer rectifies the event of default prior to the expiry of the relevant Cure Period for Developer, such Notice of Intent to Terminate by PCBDDA shall be deemed to revoked and this Agreement shall continue in accordance with the terms and conditions hereof.

14.1.6 In the event the Developer fails to rectify the event of default prior to the expiry of the relevant Cure Period for Developer, PCBDDA may terminate this Agreement by serving a Notice of termination (the "**Termination Notice by PCBDDA**") to the Developer. This Agreement shall terminate on the date specified in the Termination Notice (the "**PCBDDA Termination Date**").

14.2 Default of PCBDDA

14.2.1 If PCBDDA:

- (a) Fails to execute the Lease Agreement in accordance with Section 12.1 above;
- (b) Fails to fulfil its obligations under Section 6.1;

- (c) is otherwise in Material Breach of any obligation under this Agreement;
or
- (d) Fails to provide Utilities (to the extent applicable) in accordance with Section 6.1 by Required Project Completion Date.

It shall be considered as an event of default of PCBDDA under this Agreement.

- 14.2.2 If an event of default has occurred and the Developer wishes to terminate this Agreement, it shall serve a Notice of termination (the “**Notice of Intent to Terminate by the Developer**”) on PCBDDA.
- 14.2.3 The Notice of Intent to Terminate by the Developer shall specify the type and nature of the event of default that has occurred.
- 14.2.4 The following cure periods (each a “**Cure Period for PCBDDA**”) shall apply:
 - (a) In the case of a default arising under Section 14.2.1(a) to Section 14.2.1(c), the Cure Period for PCBDDA shall be [forty-five (45) Days]; and
 - (b) In case of a default arising under Section 14.2.1(d), the Cure Period for the Developer shall be [sixty (60) Days].
- 14.2.5 In the event PCBDDA rectifies the event of default prior to the expiry of the relevant Cure Period for PCBDDA, such Notice of Intent to Terminate by the Developer shall be deemed to have been revoked and this Agreement shall continue in accordance with the terms and conditions hereof.
- 14.2.6 In the event PCBDDA fails to rectify the event of default prior to the expiry of the relevant Cure Period for PCBDDA, the Developer may terminate this Agreement by serving a Notice of termination (the “**Termination Notice by Developer**”) to PCBDDA. This Agreement shall terminate on the date specified in the Termination Notice by Developer (the “**Developer Termination Date**”).

14.3 Consequences of Termination

- 14.3.1 Upon termination of this Agreement prior to Project Completion Date for reasons other than an event of default of PCBDDA:
 - (a) PCBDDA or its designee shall have the right, but shall not be required, to (i) acquire all the Works and or the assets of the Developer or (ii) and the Developer shall transfer all the rights and interests in respect of the assets owned by the Developer and or in pursuance of the Third Party Agreement in consideration of payment compensation as provided in Schedule 14 (*Termination Compensation*) In such case, the following shall take place;
 - i Any amounts standing to the credit of the Project Capital Account on the PCBDDA Termination Date shall be transferred to PCBDDA;
 - ii Performance Security shall be encashed by PCBDDA; and

- iii The Developer will hand over any and all documents pertaining to the Project, including the Master Plan, Developer's Documents and any other related documents required by PCBDDA within five (5) days of the PCBDDA Termination Date.

14.3.2 Upon termination of this Agreement prior to the Project Completion Date due to an event of Default of PCBDDA:

- (a) PCBDDA or its designee shall be required to (i) acquire all the Works and or the assets of the Developer or (ii) and the Developer shall transfer all the rights and interests in respect of the assets owned by the Developer and or in pursuance of the Third Party Agreement in consideration of payment compensation provided in Schedule 14 (*Termination Compensation*). In such case, the following shall take place;
 - i. Performance Security shall be returned by PCBDDA to the Developer within [ten (10) Business Days] within the Developer Termination date;
 - ii. The Developer will hand over any and all documents pertaining to the Project, including the Master Plan, Developer's Documents and any other related documents required by PCBDDA.

14.3.3 Notwithstanding anything contained herein, upon termination of this Agreement in accordance with this Section 14.3.1 and 14.3.2, PCBDDA shall be entitled to appoint a new developer (the "**Nominee**") to undertake the Works and all other obligations of the Developer hereunder. The Developer shall assist and facilitate the Nominee to the extent required by PCBDDA.

15 LIABILITY & INDEMNITY

15.1 Liability & Indemnity

- 15.1.1 The Developer shall indemnify, defend and hold PCBDDA harmless against any and all proceedings, actions and third party claims arising out of a breach by Developer, its contractors, subcontractors, its officers, servants and agents of any of its obligations under this Agreement except to the extent that any such claim has arisen due to breach by PCBDDA of any of its obligations under this Agreement or a Force Majeure Event which is a Political Event.
- 15.1.2 PCBDDA shall indemnify, defend and hold harmless the Developer against any and all proceedings, actions, third party claims for loss, damage and expense of whatever kind and nature arising out of breach by PCBDDA, its officers, servants and agents of any obligations of PCBDDA under this Agreement except to the extent that any such claim has arisen due to breach by the Developer of any of its obligations under this Agreement.
- 15.1.3 Without limiting the generality of this Clause 15.1 the Developer shall fully indemnify, save harmless and defend PCBDDA including its officers, servants, agents and subsidiaries from and against any and all loss and damages arising out of or with respect to failure of the Developer (a) to comply with Applicable Laws and Applicable Permits, (b) to make payments of Taxes relating to the Developer's Contractors, suppliers and representatives income or other taxes required to be paid by the Developer without reimbursement hereunder, or (c) to pay amounts due as a result of materials or services furnished to the Developer or any of its Developer which are payable by the Developer or any of its Developer.
- 15.1.4 Without limiting the generality of the provisions of this Clause 15.1, the Developer shall fully indemnify, save harmless and defend PCBDDA from and against any and all damages which PCBDDA may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other intellectual property, proprietary or confidentiality rights with respect to any materials, information, design or process used by the Developer or by the Developer's Contractors in performing the Developer's obligations or in any way incorporated in or related to the Project. If in any such suit, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Developer shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the suspension of the injunction or restraint order. If, in any such suit claim or proceedings, the Project or any part thereof comprised therein is held to constitute an infringement and its use is permanently enjoined, the Developer shall promptly make every reasonable effort to secure for PCBDDA a license, at no cost to PCBDDA, authorizing continued use of the infringing work. If the Developer is unable to secure such license within a reasonable time, the Developer shall, at its own expense and without impairing the Project Requirements, either replace the affected work, or part, or process thereof with non-infringing work or parts or process, or modify the same so that it becomes non-infringing.
- 15.1.5 In the event that either Party receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under Clause 15.1 (the "Indemnified Party") it shall notify the other Party (the "Indemnifying Party")

within two (2) weeks of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party. Provided that, such approval not to be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim it may conduct the proceedings in the name of the Indemnified Party subject to the Indemnified Party being secured against any costs involved to its reasonable satisfaction.

- 15.1.6 The Indemnified Party 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 such party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified hereunder and their reasonable costs and expenses shall be indemnified by the Indemnifying Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the person indemnified in respect of loss to the full extent provided in this Clause 15.1, the Indemnifying Party shall be entitled, at its option, to assume and control the defense of such claim, action, suit or other proceedings, liabilities, payments and obligations at its expense and through counsel of its choice provided it gives prompt notice of its intention to do so to the Indemnified Party and reimburses the Indemnified Party for the reasonable cost and expenses incurred by the Indemnified Party prior to the assumption by the Indemnifying Party of such defense.
- 15.1.7 The Indemnifying Party shall not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the Indemnified Party unless the Indemnifying Party provides such security to the Indemnified Party as shall be reasonably required by the Indemnified Party to secure, the loss to be indemnified hereunder to the extent so compromised or settled.
- 15.1.8 If the Indemnifying Party has exercised its rights under Clause 15.1.5 above, the Indemnified Party shall not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the indemnifying Party (which consent shall not be unreasonably withheld or delayed).
- 15.1.9 If the Indemnifying Party exercises its rights under Clause 15.1.5 above, then the Indemnified Party shall nevertheless 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 such Indemnified Party, when and as incurred, unless:
- a) the employment of counsel by such party has been authorized in writing by the Indemnifying Party; or
 - b) the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defence of such action; or
 - c) the Indemnifying Party shall not in fact have employed independent counsel reasonably satisfactory to the Indemnified Party to assume the defence of such action and shall have been so notified by the Indemnified Party; or

- d) the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party either (i) that there may be specific defences available to it which are different from or additional to those available to the Indemnifying Party; or (ii) that such claim, action, suit or proceeding involves or could have Material Adverse Effect upon it beyond the scope of this Agreement.

15.1.10 Provided that if Clause 15.1.8 shall be applicable, counsel for the Indemnified Party shall have the right to direct the defence of such claim, action, suit or proceeding on behalf of the Indemnified Party and the reasonable fees and disbursements of such counsel shall constitute legal or other expenses hereunder.

FOR REFERENCE ONLY

16 INSURANCE

16.1 The Developer shall at its sole risk and expense, ensure that all insurance covers required under Applicable Law or Applicable Permits, including insurance covers as listed in Schedule 12 (*Insurance*) hereto, are obtained and maintained by the Developer during the term of this Agreement.

FOR REFERENCE ONLY

17 FORCE MAJEURE

17.1 Definition of Force Majeure

- (a) "**Force Majeure Event**" shall mean any event or circumstance or combination of events or circumstances (including the effects thereof) that is beyond the reasonable control of a Party and that on or after the Effective Date, materially and adversely affects the performance by such affected Party (the "**Affected Party**") of its obligations under or pursuant to this Agreement; provided, however, that such material and adverse effect could not have been prevented, overcome or remedied in whole or in part by the Affected Party through the exercise of diligence and reasonable care, it being understood and agreed that reasonable care includes acts and activities to protect the Works, the Site and the Project from a casualty or other event; that are reasonable in light of the probability of the occurrence of such event, the probable effect of such event if it should occur, and the likely efficacy of the protection measures. Force Majeure Event hereunder shall include each of the following events and circumstances (including the effects thereof), but only to the extent that each satisfies the above requirements:
- i. The following political events that occur inside or directly involve Pakistan (each a "**Political Event**"): any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, or act or campaign of terrorism or political sabotage; any strike, work-to-rule, go-slow, or analogous labour action that is politically motivated and is widespread or nationwide;
 - ii. Lapse of Consent that shall have existed for a period of [thirty (30) consecutive Days]; or
- (b) The following non-political events that occur inside or directly involve Pakistan (each a "**Non-Political Event**")
- i. lightning, fire, earthquake, tsunami, flood, storm, cyclone, typhoon, or tornado;
 - ii. fire, explosion, chemical contamination, radioactive contamination, or ionising radiation;
 - iii. epidemic or plague; or
 - iv. any strike, work-to-rule, go-slow, or analogous labour action that is not politically motivated and is not widespread or nationwide.
- (c) In relation to the Developer, Force Majeure Event shall expressly not include the following events or circumstances:
- i. late delivery or interruption in the delivery of machinery, equipment, materials, spare parts or consumables (including water and fuel);
 - ii. a delay in the performance of any Developer's employees, its contractors, the Subcontractors, agents, any other officers or Third Parties entering into Third Party Agreements;
 - iii. breakdown in machinery or equipment;
 - iv. normal wear and tear or random flaws in materials, machinery or equipment;
 - v. any risk for which the Developer is responsible pursuant to this Agreement;
 - vi. shortage of staff/labour for the performance of the Works;

- vii. any operation of the forces of nature which is not unforeseeable or which are usual occurrences in Pakistan and against which an experienced developer/contractor could reasonably have been expected to have taken adequate preventative precautions; and
- viii. delays resulting from unsuitable ground or other similar adverse conditions, which are not unforeseeable and against which an experienced developer could reasonably have been expected to have taken adequate preventative precautions.
- ix. Vandalism, theft, forced entry or event cause by the lapse/breach of the Developer's obligation to maintain security for [name of the project].

provided, that each of the events described in paragraphs (i), (ii) or (iii) shall constitute a Force Majeure to the extent that such events or circumstances are caused by an event or circumstance that is itself a Force Majeure.

- (d) The Developer and PCBDDA expressly recognise that acts or omissions of Developer's employees, its contractors, the Subcontractors, agents, any other officers or Third Parties entering into Third Party Agreements shall not be deemed an "event beyond the control of the Developer" or its employees, contractors, the Subcontractor, agents, any other officers or Third Parties entering into Third Party Agreements unless such employees, contractors, the Subcontractor, agents, any other officers or Third Parties entering into Third Party Agreements can demonstrate that the actual event giving rise to the Force Majeure Event would be an event covered by this Section 15.1 (*Definition of Force Majeure*).

17.2 Effect of Force Majeure

- 17.2.1 Neither PCBDDA nor the Developer shall be considered in default or in contractual breach to the extent that performance of obligations is prevented by a Force Majeure Event, provided that no Force Majeure Event shall relieve either Party from its payment obligations under this Agreement.

17.3 Developer's Responsibility

- 17.3.1 Upon occurrence of an event considered by the Developer to constitute Force Majeure Event and which may affect performance of the Developer's obligations, the Developer shall promptly Notify PCBDDA of such Force Majeure Event as soon as practicable, but in any event not later than twenty-four (24) hours (with a copy to the Independent Engineer) after it becomes aware of the occurrence of the circumstances giving rise to a Force Majeure Event or three (3) hours after the resumption of any means of providing Notice to PCBDDA. Thereafter, the Developer shall give PCBDDA (with a copy to the Independent Engineer) a second Notice, describing the Force Majeure Events in detail, to the extent which can be reasonably determined at the time of such Notice, providing a preliminary evaluation of obligations affected, a preliminary estimate of the period of time that the Developer shall be unable to perform such obligations and other relevant matters as soon as practicable, but in any event, not later than five (5) Days after the initial Notice of the occurrence of the Force Majeure Event.

- 17.3.2 Notwithstanding the above, the Developer shall Notify PCBDDA for an extension in the Scheduled Project Completion Date in accordance with the

provisions of Section 11.2 (*Extension of time*) and shall continue to perform his obligations as far as reasonably practicable. The Developer shall also Notify when appropriate and requested by PCBDDA to provide further Notices (with a copy to the Independent Engineer) more fully describing the Force Majeure Event and its causes and providing up to date information relating to the efforts made by the Developer to avoid and/or mitigate the effects thereof and estimates, to the extent practicable, of the time that it expects it shall be unable to perform its obligations under the Agreement. Furthermore, the Developer shall include in its Notices of any proposals, including any reasonable alternative means for performance, but shall not effect any proposals without the consent of PCBDDA.

17.4 PCBDDA's Responsibility

17.4.1 Upon occurrence of an act considered by PCBDDA to constitute Force Majeure Event and which may affect performance of PCBDDA's obligations, PCBDDA shall promptly Notify the Developer (with a copy to the Independent Engineer) soon as practicable, but in any event not later than twenty-four (24) hours after it becomes aware of the circumstances giving rise to a Force Majeure Event or three (3) hours after the resumption of any means of providing Notice to the Developer. Thereafter, PCBDDA shall give the Developer a second Notice (with a copy to the Independent Engineer), describing the Force Majeure Event in reasonable detail and, to the extent which can be reasonably determined at the time of such Notice, providing a preliminary evaluation of the obligations affected, a preliminary estimate of the period of time that it shall be unable to perform such obligations and other relevant matters as soon as practicable, but in any event, not later than five (5) Days after the initial Notice. PCBDDA shall continue to perform his obligations as far as reasonably practicable. PCBDDA shall also Notify the Developer (with a copy to the Independent Engineer) of any proposals with the objectives of completing the Works and mitigating any increased costs to PCBDDA and Developer.

17.5 Duty to Minimise Delay and Mitigate

17.5.1 Each of the Developer and PCBDDA shall at all times use all reasonable efforts to minimise any delay in the performance of the Agreement as a result of Force Majeure Event and mitigate the effects of such Force Majeure Event.

17.5.2 The Developer shall endeavour to continue the performance of its obligations under the Agreement insofar as reasonably practicable and Notify PCBDDA (with a copy to the Independent Engineer) of the steps it proposes to take including any reasonable alternative means for performance which are not prevented by the Force Majeure Event. The Developer shall take such steps unless and to the extent PCBDDA directs the Developer not to do so.

17.5.3 A Party shall give Notice to the other Party when it ceases to be affected by the Force Majeure Event and mitigate any loss suffered by either Party as a result of the Force Majeure Event.

17.6 Optional Termination and Release

17.6.1 If Force Majeure Event occurs which prevents the whole of the Works or substantially the whole of the Works and its effect continues for a period of [one hundred eighty (180) consecutive Days], either PCBDDA or the Developer may give to the other a Notice of its intention to terminate.

17.6.2 Within [fourteen (14) Days] of the date of such Notice, the senior executives of each of the Developer and PCBDDA shall meet to negotiate in good faith and with the aim of prevent the termination of the Agreement and achieving a resolution satisfactory to both Developer and PCBDDA. If, within [thirty (30) Days] of the date of the initial Notice of the Developer and PCBDDA's intention to terminate, the senior executives of each of the Developer and PCBDDA are unable to agree on a resolution satisfactory to both Developer and PCBDDA, either Party may give to the other a Notice of termination, which shall take effect on a date specified in such Notice.

17.6.3 In the event this Agreement is terminated in accordance with this Section 16.7, the provisions of Section 14.1.7 (*Consequences of Termination*) will apply.

17.7 Remedies for Force Majeure

17.7.1 The Affected party must at all times since the occurrence of the Force Majeure Event comply with the obligations of mitigation as provided above and shall continue to comply, for which the Affected Party shall be entitled to the following relief

- i. The obligations of the Affected Party (excluding payment obligations) to the extent they are affected by the Force Majeure Event shall be suspended for the period of the Force Majeure Event;
- ii. The time period for the performance of obligations of the Affected Party to the extent they are affected by the Force Majeure Event shall be extended on a day for day basis for the period of Force Majeure Event provided, however, that no relief, including extension of performance deadlines, shall be granted to the affected Party pursuant to this Section 16.7.1(b) to the extent that such failure to the extent that such failure or delay would nevertheless have been experienced by the Affected Party had the Force Majeure Event not occurred; and
- iii. The term of this Agreement shall be extended on a day for day basis for the period of the Force Majeure Event.

17.7.2 Other than for breaches of this Agreement by the other Party (i.e. the Party not affected by Force Majeure), the other Party shall not bear any liability for any loss or expense suffered by the Affected Party as a result of a Force Majeure Event.

18 EXPIRY OF THE AGREEMENT

- 18.1 Upon the expiry of the Term of this Agreement, the title of all the Land shall be transferred to the Developer in accordance with the Lease Deed. In such case, the following shall take place:
- 18.1.1 [to be discussed and finalised]; and
 - 18.1.2 Any amounts standing to the credit of the Project Capital Account shall be transferred to the Developer after settlement of all the outstanding payment to PCBDDA as per the JV Agreement.
- 18.2 The Developer will hand over any and all documents pertaining to the Project, including but not limited to the Master Plan, Developer's Documents and any other related documents required by PCBDDA.

FOR REFERENCE ONLY

19 DISPUTE RESOLUTION

19.1 Negotiation between Senior Executives

- 19.1.1 PCBDDA and the Developer will attempt in good faith to resolve any dispute promptly by negotiation between senior executives of the Developer and PCBDDA who have authority to settle the Dispute. If the Developer and PCBDDA intends to invoke such negotiation process, it shall give the other Party written Notice of such intent and specify in writing the specific nature of the dispute. Within [twenty-one (21) Days] of receipt of said Notice, the receiving Party shall submit to the other a written response.
- 19.1.2 The executives representing the Developer and PCBDDA shall meet at a mutually acceptable time and place within [thirty (30) Days] of the receiving Party's Notice and thereafter as often as they reasonably deem necessary to exchange relevant information and to attempt to resolve the dispute. If such dispute is not resolved within [thirty (30) Days] from their first meeting (or within such longer period of time as the Developer and PCBDDA may mutually agree), the Developer and PCBDDA shall proceed to arbitration in accordance with Section 18.2 (*Arbitration*). The Notices called for within this Section shall not be deemed a substitute for any other Notice requirement set forth in this Agreement.

19.2 Arbitration

- 19.2.1 If the Developer and PCBDDA are unable to resolve any dispute through the procedures set forth in Section 17.1 (Negotiation between Senior Executives) above, the dispute shall be referred to and finally resolved by arbitration in accordance with provisions of the Arbitration Act 1940. The number of arbitrators shall be 'one'. The seat, or legal place, of arbitration shall be Lahore. The language to be used in the arbitration shall be English. Both Developer and PCBDDA undertake to implement the arbitration award.
- 19.2.2 The award rendered shall apportion the costs of the arbitration. The arbitrator need not be bound by strict rules of law where they consider the application thereof to particular matters to be inconsistent with the spirit of this Agreement and the underlying intent of the Developer and PCBDDA, and as to such matters their conclusions shall reflect their judgment of the correct interpretation of all relevant terms hereof and the correct and just enforcement of this Agreement in accordance with such terms.
- 19.2.3 The award rendered shall be in writing and shall set forth in reasonable detail the facts of the dispute and the reasons for the arbitrator's decision. The decision of the arbitrator shall be final and binding upon the Developer and PCBDDA. The prevailing Party may enforce such award in any jurisdiction, including any jurisdiction where the other Party's assets may be located. Except as the Developer and PCBDDA otherwise agree in writing pending the final resolution of any dispute or arbitration proceeding, the Developer shall proceed diligently with the performance of the Works under this Agreement and in compliance with PCBDDA's directions and PCBDDA shall proceed to fulfil its obligations under the Agreement.

20 MISCELLANEOUS

20.1 Validity and Enforceability

- 20.1.1 The invalidity or unenforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement, and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain such invalid or unenforceable portion or provision.
- 20.1.2 Notwithstanding the provisions of the preceding sentence, should any term or provision of this Agreement be found invalid by any authority having jurisdiction thereof, the Developer and PCBDDA shall immediately renegotiate in good faith such term or provision of this Agreement to eliminate such invalidity.

20.2 Corrupt Practices

- 20.2.1 The Developer and its respective officers, employees, agents and advisers are required to observe the highest standard of ethics during the subsistence of this Agreement. Notwithstanding anything to the contrary contained herein, PCBDDA shall Terminate this Agreement, without being liable in any manner whatsoever to the bidder or Developer, as the case may be, if PCBDDA determines that the bidder or the Developer, as the case may be, has, directly or indirectly or through an agent, engaged in corrupt practices, fraudulent practices, coercive practices, undesirable practices or restrictive practices in the Bidding Process (as specified in the RFP) or in the performance of this Agreement. In such an event, PCBDDA shall be entitled to encash in full all Performance Securities.
- 20.2.2 For the purposes of this Clause 19.2, the following terms shall have the meanings assigned to them:
- a) **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the negotiation, preparation, execution and / or performance of this Agreement and / or the Bidding Process (as specified in the RFP) (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of PCBDDA who is or has been associated in any manner, directly or indirectly with the Bidding Process (as specified in the RFP) or has dealt with matters concerning the Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of PCBDDA, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process (as specified in the RFP)); or (ii) engaging in any manner whatsoever, whether during the Bidding Process (as specified in the RFP) or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the Agreement, who at any time has been or is a legal, financial or technical advisor of PCBDDA in relation to any matter concerning the Project.

- b) **“fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process (as specified in the RFP) or the negotiation, preparation, execution and / or performance of this Agreement.
- c) **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process (as specified in the RFP) or the negotiation, preparation, execution and / or performance of this Agreement.
- d) **“undesirable practice”** means: (i) establishing contact with any person connected with or employed or engaged by PCBDDA with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process (as specified in the RFP) or the negotiation, preparation, execution and / or performance of this Agreement; or (ii) having a conflict of interest.
- e) **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process (as specified in the RFP).

20.3 Waiver

20.3.1 No waiver by either Party of any default or defaults by the other Party in the performance of any of the provisions of this Agreement:

- (a) shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character; or
- (b) be effective unless in writing duly executed by a duly authorised representative of such Party.

Such waiver shall not affect the validity or enforceability of this Agreement in any manner.

20.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect.

20.4 Counterparts

20.4.1 This Agreement may be executed in any number of counterparts and by each of the Parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement.

20.5 Entire Agreement

20.5.1 Any of the Works described in this Agreement which was performed or caused to be performed by the Developer prior to the execution of this Agreement shall be deemed to have been performed under this Agreement.

20.5.2 This Agreement sets forth the full and complete understanding of the parties relating to the subject matter hereof as of the date first above stated, and supersedes any and all negotiations, agreements and representations made or dated prior thereto. Subsequent to the Effective Date, this Agreement may be supplemented, modified or otherwise amended by mutual agreement or only in accordance with the terms of this Agreement; provided that any such supplements, modifications and amendments to this Agreement, if any, must be in the form of a written amendment to this Agreement, and signed by authorised representatives of both Parties to this Agreement.

20.6 Conflicting Provisions

20.6.1 Either Party, upon becoming aware of any conflict or inconsistency among any of the components of this Agreement shall promptly Notify the other Party in writing of such conflict or inconsistency.

FOR REFERENCE ONLY

FOR REFERENCE ONLY

SCHEDULE 1 – SITE

[Schedule K of the RFP to the extent of the Project Site will be added here at the time of execution of this Agreement]

FOR REFERENCE ONLY

SCHEDULE 2 – SCOPE OF WORK AND TECHNICAL SPECIFICATIONS

[Schedule H of the RFP will be added here at the time of execution of this Agreement]

FOR REFERENCE ONLY

SCHEDULE 3 – PERFORMANCE SECURITY

TO:

CEO

PUNJAB CENTRAL BUSINESS DISTRICT DEVELOPMENT AUTHORITY

[INSERT ADDRESS]

GUARANTEE NO. (hereinafter referred to as the “**Guarantee**”)

Dated:

[INSERT NAME OF BANK], being the Guarantee issuing bank (hereinafter referred to as the “**Guarantor Bank**”) understands that the following parties have entered into an agreement entitled the “**JOINT-VENTURE AGREEMENT**” dated [insert date], 2019 (hereinafter referred to as the “**Agreement**”) to establish, develop, construct, operate and maintenance an [...] “[name of the project]” in Punjab under the joint venture mode:

- (a) **Punjab Central Business District Development Authority**, having its offices at [insert address] (hereinafter referred to as the “**PCBDDA**”); and
- (b) [insert name of the Developer], a company incorporated under the laws of Islamic Republic of Pakistan, having its registered office located at [insert address] (hereinafter referred to as the “**Developer**”, which expression shall, where the context so permits, be deemed to mean and include its legal heirs, successors in interest, administrators, executors, and permitted assigns).

Further, the Guarantor Bank understands that pursuant to the terms of the Agreement, the Developer is required to provide the PCBDDA with a bank guarantee in an amount equal to PKR [INSERT AMOUNT IN NUMBERS] (Pakistani Rupees [INSERT AMOUNT IN WORDS]).

The above premised, the Guarantor Bank hereby undertakes irrevocably and unconditionally to pay to the PCBDDA, without any Notice, reference or recourse to the Developer or to any other entity or without any recourse or reference to the Agreement, any sum or sums (or any part thereof) equivalent in aggregate up to but not exceeding a maximum amount of:

PKR [insert amount in numbers]/- (Pakistani Rupees [insert amounts in words]) (hereinafter referred to as the “**Guaranteed Amount**”) immediately, however not later than within [five (5) business days] from the date of the Guarantor Bank’s receipt of the PCBDDA’s first written demand (hereinafter referred to as the “**Demand**”) at the Guarantor Bank’s offices located at [INSERT ADDRESS OF THE GUARANTOR BANK AT WHICH DEMAND SHALL BE MADE], such Demand stating:

- (a) the total amounts demanded; and
- (b) the bank account to which the amounts demanded pursuant to the demand are to be credited/transferred (hereinafter referred to as the “**Bank Account**”).

A Demand shall only be honoured by the Guarantor Bank if it is made by and bears the signature of an authorised officer or representative of the PCBDDA.

The Guarantor Bank shall unconditionally honour a Demand hereunder made in compliance with this Guarantee immediately (however not later than [five (5) business days] of its receipt of the PCBDDA’s Demand, as stated earlier, and shall transfer the amount specified in the Demand to the Bank Account.

This Guarantee shall come into force and shall become automatically effective upon its issuance.

After having come into force, this Guarantee and the Guarantor Bank's obligations hereunder shall expire on [INSERT DATE AND TIME] (the **Guarantee Expiry Date**) irrespective of whether this Guarantee has been returned to the Guarantor Bank provided that, in the event that the PCBDDA issues a Demand to the Guarantor Bank on or immediately prior to the Guarantee Expiry Date and the same is received by the Guarantor Bank on or prior to the Guarantee Expiry Date, the Guarantor Bank shall honour such Demand.

Upon expiry, this Guarantee shall be returned to the Developer without undue delay. Multiple Demands may be made by the PCBDDA under this Guarantee but the Guarantor Bank's aggregate liability shall be restricted up to the Guaranteed Amount.

The Guarantor Bank hereby agrees that any part of the Agreement may be amended, renewed, extended, modified, compromised, released or discharged by mutual agreement between the PCBDDA and the Developer without:

- (a) in any way impairing or affecting the Guarantor Bank's liabilities hereunder;
- (b) Notice to the Guarantor Bank; and
- (c) the necessity for any additional endorsement, consent or guarantee by the Guarantor Bank.

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

All references to any contract or other instruments are by way of reference only and shall not affect the Guarantor Bank's obligations to make payment under the terms of this Guarantee.

The PCBDDA shall not assign / transfer or cause or permit to be assigned or transferred any of its rights, title, interests and benefits of this Guarantee without the prior written consent of the Guarantor Bank.

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

The Guarantor Bank hereby declares and confirms that under its constitution and applicable laws of Islamic Republic of Pakistan, it has the necessary power and authority to:

- (a) enter into, execute and deliver this Guarantee; and
- (b) perform the obligations it has undertaken under this Guarantee, which obligations are valid and legally binding on and enforceable against the Guarantor Bank under the laws of Islamic Republic of Pakistan.

Further, the Guarantor Bank hereby declares and confirms that the signatory(ies) to this Guarantee is/are its duly authorized officer(s) to execute this Guarantee.

This Guarantee and all rights and obligations arising from this Guarantee shall be governed and construed in all respects in accordance with the laws of Pakistan. The courts in Lahore, Pakistan shall have exclusive jurisdiction in respect of any dispute relating to any matter contained herein.

EXECUTED & ISSUED

FOR & ON BEHALF OF THE GUARANTOR BANK

.....

NAME:

DESIGNATION:

DATED:

WITNESSES

WITNESS I

WITNESS II

FOR REFERENCE ONLY

SCHEDULE 5 – PERFORMANCE SECURITY AMOUNTS

First performance security – to be submitted by the Developer at the time of signing of the JV Agreement. For an amount equal to PKR [] or []% of Project Cost whichever is higher with a validity period till the time of completion of CP's of the JV Agreement.

FOR REFERENCE ONLY

SCHEDULE 6 – OPERATION AND MAINTENANCE

[Schedule I to the extent of operation and maintenance scope will be added here at the execution of this Agreement]

FOR REFERENCE ONLY

SCHEDULE 8 – PAYMENT MILESTONES – PCBDDA Payments

[these will be agreed between the PCBDDA and the Developer at the time of execution of this Agreement]

FOR REFERENCE ONLY

SCHEDULE 9 - LIQUIDATED DAMAGES

- (a) In case the Grey Structure Completion Date is not achieved by the Scheduled Grey Structure Completion Date; the Developer shall pay an amount of Pak Rupees [] for each Day of delay up to the completion of Project.
- (b) In case the Project Completion Date is not achieved by the Scheduled Project Completion Date; the Developer shall pay an amount of [Pak Rupees ...] for each Day of delay up to the completion of Project.

FOR REFERENCE ONLY

SCHEDULE L – LAND LEASE AGREEMENT

This Indenture of Lease (the “**Lease**”) is made at [•] on this [•] day of [•], 2024 (the “**Effective Date**”)

BY AND BETWEEN

1. **Punjab Central Business District Development Authority** through [•] having its registered office at [•] (hereinafter referred to as the “**Lessor**” which term shall include the successors in office, legal representatives and executors and assigns)

AND

2. [*Insert name of Developer*], a company incorporated under the laws of Pakistan and having its registered office at [•] (hereinafter referred to as the “**Lessee**”, which expression shall, where the context so permits or requires, be deemed to mean and include its successors-in-interest and assigns);

(The Lessor and Lessee shall hereinafter be individually referred to as a “**Party**” and collectively as the “**Parties**”).

RECITALS

A WHEREAS, the Lessor is the true and lawful owner of the portion of land admeasuring [•] acres with its dimensions and abutments as more particularly described and delineated on the site plan annexed hereto in Schedule A (the “**Land**”);

B WHEREAS, the PCBDDA and the Lessee entered into a joint-venture agreement (the “**JV Agreement**”) dated [•] for the purpose of development, construction, operation and maintenance of [name of the project] (the “**Project**”) by the Lessee pursuant to which the PCBDDA is obligated to provide the Land to the Lessee for development of the Project and transfer title of the Land upon completion of the Project as per terms set out in the JV Agreement;

C WHEREAS, in pursuance of the JV Agreement the Lessor granted approval for a [•] years lease of Land in favour of the Lessee for the Project together with all rights, easements, privileges thereto to be held and enjoyed by the Lessee for the purposes of the Project upon the terms and conditions specified in this Lease.

NOW THEREFORE, in view of the foregoing and in consideration of the mutual benefits to be derived and the representations and warranties, mutual covenants and agreements set forth in this Lease and for other good and valuable consideration, the adequacy of which is hereby acknowledged by the Parties and intending to be legally bound, the Parties agree as follows:

1 DEFINITIONS

In this Lease, the following terms shall have the meanings assigned to them hereunder:

“Applicable Laws” means any common or customary law, constitutional law, any statute, regulations, resolution, rules, , ordinance, enactment, judgment, order, code, decree, directive, notification, clarification, guideline, policy, requirement or other governmental restriction and any decision of or determination by or interpretation of any of the foregoing (whether or not having the force of law) , in each case as amended, re-enacted or replaced, by any Competent Authority having jurisdiction over this Lease and the Parties (whether at a national, regional, provincial, state or local level) now or hereafter in effect;

“Applicable Permits” means all clearances, authorizations, consents, permits, waivers, privileges, approvals, licenses, rulings or exemption required to be obtained or maintained by the Lessee under the Applicable Laws in connection with the Lessee’s obligations to be performed hereunder, as may be in effect from time to time;

“Competent Authority” means any agency, legislative, judicial or executive, department, ministry, public or statutory person, whether autonomous or not, of the Government of Punjab or Government of Pakistan or any other subdivision or instrumentality thereof;

“Consortium” shall have the meaning ascribed thereto in the JV Agreement;

“[name of the project]” shall have the meaning ascribed thereto in the JV Agreement;

“Effective date” shall mean the date of execution of this Agreement;

“Encumbrances” means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or other obligations or restrictions and shall also include, without limitation, any designation of loss, payees or beneficiaries, or any physical encumbrances or encroachments on Land;

“Expiry Date” shall mean the last day of the Term;

“JV Agreement” shall have the meaning ascribed thereto in the Recitals;

“JV Agreement Date” shall have the meaning ascribed to the term “Effective Date” in the JV Agreement;

“Land Title Transfer Payment” shall have the meaning ascribed thereto in the JV Agreement to be read with Schedule B hereof.

“Lease” shall mean this indenture of lease including all schedules annexed hereto;

“Lease Rent” shall have the meaning ascribed thereto in the JV Agreement to be read with Schedule B hereof;

“Notice of Intention to Terminate” has the meaning ascribed thereto in Section 5.1;

“Grey Structure Completion Conditions” shall have the meaning ascribed thereto in the JV Agreement;

“Grey Structure Completion Date” shall have the meaning ascribed thereto in the JV Agreement;

“Initial Term” means period commencing from the Effective Date until issuance of the Project Completion Certificate.

“Land” shall have the meaning ascribed thereto in the Recitals;

“PCBDDA Payments” shall have the meaning ascribed thereto in the JV Agreement.

“Post Project Completion Term” means a period of [•] years commencing from or after issuance of the Project Completion Certificate and upon transfer of title of the Land to the Lessee by the Lessor after receipt of the Land Title Transfer Payment.

“Project” shall have the meaning ascribed thereto in the Recitals;

“Project Completion Certificate” means shall have the meaning ascribed thereto in the JV Agreement

“Required Grey Structure Completion Date” shall have the meaning ascribed thereto in the JV Agreement;

“Required Project Completion Date” shall have the meaning ascribed thereto in the JV Agreement;

“Sub-Lease Agreements” shall have the meaning ascribed thereto in the JV Agreement;

“Term” shall mean the Initial Term and the Post Project Completion Term;

“Termination Date” shall have the meaning ascribed thereto in Section 5.1;

“Termination Notice” shall have the meaning ascribed thereto in Section 5.1;

2 LEASE & LAND TITLE TRANSFER

2.1 In consideration of the PCBDDA Payments, the Lessor hereby demises unto the Lessee the Land together with all rights, easements and privileges appurtenant thereto, free from any Encumbrances, to be held and enjoyed by the Lessee for the Term, subject to the JV Agreement and this Lease.

2.2 Upon completion of the Initial Term and or around issuance of the Project Completion Certificate, the Lessor shall transfer the title of Land to the Lessee through a ‘sale deed’ in consideration of receipt of Land Title Transfer Payment from the Lessee.

3 LEASE RENT & LAND TITLE TRANSFER PAYMENT

3.1 The Lessee shall pay the Lease Rent and Land Title Transfer Payment to the Lessor in the manner provided in Section 12.2 of the JV Agreement and as more particularly described in Schedule B (Procedure of Lease Rent and payment of Land Title Transfer Payment).

3.2 Failure of the Lessee to pay the PCBDDA Payments in accordance with this Section 3 shall be a breach of this Lease entitling the Lessor to terminate the Lease in accordance with Section 5 (Termination and Expiry).

4 TERMS AND CONDITIONS

4.1 The Lessee shall pay any and all applicable federal, provincial, municipal, city district, taxes, duties, levies or other impositions whatsoever arising out of and as a result of this Lease including that of transfer of title of the Land in the name of Lessee as per the terms agreed herein. The Lessee shall indemnify and keep indemnified the Lessor against all liabilities arising as a contravention of this Section 4.1 by the Lessee.

4.2 The Lessee shall achieve the Grey Structure Completion Conditions by the Required Grey Structure Completion Date. Failure of the Lessee to fulfill its

obligations under this Section 4.2 shall be a breach of this Lease entitling the Lessor to terminate the Lease in accordance with Section 5 (*Termination and Expiry*).

- 4.3 The Lessee shall take all necessary steps to protect the environment (both on and off the Land) and to limit damage and nuisance to people and property resulting from pollution, noise and other results of his operations.
- 4.4 The Lessee shall use Land to implement the Project and shall not use Land for any other purpose.
- 4.5 The Lessee shall permit the authorized officers of the Lessor to enter and inspect Land or any part thereof and any building or building thereon at any time.
- 4.6 In case of the failure of the Lessee to achieve the Grey Structure Completion Date by the Required Grey Structure Completion Date, the Land will be forfeited to the Lessor and this Lease shall stand cancelled. In such case, the Lessor reserves the right to allot/lease the Land to any other prospective investor/developer as the Lessor may deem fit (subject to all rights and obligations created by the Lessee under the Sub-Lease Agreements).
- 4.7 The allotments of the units/apartments constructed on the Land shall only be made strictly in accordance with the JV Agreement.
- 4.8 The Lessee shall not create any Encumbrance over the Land, provided however, [the allottees of units/apartments constructed on the Land may be allowed to create Encumbrances over the sub-leased area for the purposes of financing their apartment/units]¹.
- 4.9 The Lessee shall at all times comply with the Applicable Laws of Islamic Republic of Pakistan and the Applicable Permits.

5 TERMINATION AND EXPIRY

5.1 Termination

5.1.1 In the event:

- a. the Lessee commits a breach of this Lease; or
- b. any statement, representation or warranty made by the Lessee in this Lease proves to have been incorrect

the Lessor shall be entitled to require the Lessee, by written Notice to the Lessee ("**Notice of Intention to Terminate**"), to cure the specified breach within [thirty (30) days] of the date of the Notice of Intention to Terminate. Failure of the Lessee to cure the specified breach within the stipulated time period stated hereinabove shall entitle the Lessor to terminate this Lease by serving a Notice to the Lessee ("**Termination Notice**"). This Lease shall stand terminated on the date specified in the Termination Notice ("**Termination Date**").

5.1.2 The Lessor shall, on the Termination Date, be entitled to re-enter upon and take over possession of the Land and all buildings, structures and erections subject to the rights and obligations granted to the [•] by the Lessee through the Sub-Lease Agreements.

5.1.3 In the event the Lessee fails to give up peaceful possession on the Termination Date, the Lessor may eject the Lessee and may retain the Land as its absolute property free from claims and Encumbrances (except as otherwise permitted under this Lease) and may sell in satisfaction of all such claims and in any way that may be thought fit, all property of the Lessee found upon in respect of Land occupied and leased by the Lessee to the [•] (subject to all rights and obligations created by the Lessee under the Sub-Lease Agreements).

5.2 Expiry

5.2.1 Upon expiry of the Initial Term and upon issuance of the Project Completion Certificate and receipt of all the PCBDDA Payments payable by the Developer to PCBDDA, the Lessor shall transfer full title of the Land to the Lessee provided that the Lessee has fully discharged all obligations as per the JV Agreement for completion of the Project.

5.2.2 In the event the Lessee fails to complete the Project as per the terms of JV Agreement, the Lessor may eject the Lessee and may retain as their absolute property free from claims and Encumbrances (except as otherwise permitted under this Lease) and may sell in satisfaction of all such claims and in any way that may be thought fit (subject to all rights and obligations created by the Lessee under the Sub-Lease Agreements), all property of the Lessee found upon in respect of Land occupied and leased by the Lessee.

6 REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Representations and Warranties

6.1.1 Each Party hereby represents and warrants to the Lessor that:

- i. It has all requisite power and authority to conduct its business and to execute, to deliver and to perform its obligations under this Lease;
- ii. it has taken all necessary actions to authorize the execution, delivery and performance of this Lease;
- iii. it has the financial standing and capacity to carry out its obligations under this Lease;
- iv. there are no proceedings pending, or to the best of its knowledge, threatened for the liquidation of the Lessee or that could materially adversely affect the performance by the Lessee of its obligations under this Lease;
- v. this Lease has been duly authorised, executed and delivered by it and constitutes the legal, valid and binding obligation of it;

- vi. to the best of its knowledge, the execution and delivery of, and performance of its obligations under this Lease by the Lessee, subject to the granting and maintenance of the requisite Applicable Permits, does not and, subject to the granting and maintenance of the relevant additional Applicable Permits in the future, will not constitute a violation of its constitutional documents, or any Applicable Law or any agreements, understanding, judgment, order, decree or regulation or rule of any Competent Authority, court, governmental authority or arbitrator of competent jurisdiction applicable or relating to it, its assets or its businesses;

6.1.2 The Lessor represents and warrants that the Land is free from all encumbrances, encroachments, loans, mortgages, claims, interests, debts, dues, duties, charges, liens, burdens, taxes, cesses, arrears, disputes and litigation. The Lessor further represents that the legal title of and all rights and interests (including the rights and interests being granted to the Lessee under this Lease) relating to the Land solely vest in the Lessor.

6.2 Covenants

The Lessee hereby covenants to the Lessor that:

- i. It shall take full responsibility for the adequacy, stability and safety of all Land operations of all means and methods of construction and of all the works, irrespective of any approval or consent or the lack thereof by the Lessor;
- ii. It shall execute and complete the works as required under the JV Agreement and achieve the Grey Structure Completion Conditions by the Required Grey Structure Completion Date; and
- iii. It shall not create any Encumbrance on Land.

7 ASSIGNMENT

This Lease shall not be assigned by the Lessee to any party without the prior written consent of the Lessor.

8 NOTICE

8.1 Wherever provision is made for the giving or issue of any Notice, instruction, consent, approval, certificate or determination by any person, unless otherwise specified, such communication shall be in writing and shall not be unreasonably withheld or delayed and shall be deemed to have been received and be effective (i) upon receipt by the Party to which the Notice is given, or (ii) five (5) days, following mailing of such Notice, whichever occurs first.

8.2 Wherever provision is made for a communication to be written, or in writing, this means any hand-written, type-written or printed communication, including electronic mail.

8.3 All Notices or written orders to be given to the Lessee by the Lessor or by the Lessee to the Lessor, shall either be delivered by hand against written acknowledgment of receipt or be sent by mail, fax or e-mail.

8.4 The addresses for the receipt of such communications shall be as follows:

9 GOVERNING LAW AND JURISDICTION

9.1 This Lease and any disputes or claims arising out of or in connection with its subject matter are governed by and shall be construed in accordance with the Applicable Laws of Islamic Republic of Pakistan.

9.2 Each Party irrevocably and unconditionally submits to the non-jurisdiction of the courts exercising jurisdiction in Lahore, Pakistan.

10 ENTIRE AGREEMENT

10.1 This Lease is the full and final expression of the agreement between the Parties on the matters

11 SEVERABILITY

11.1 If any term or provision of this Lease is determined by a Competent Authority to be invalid, void, illegal, unenforceable or against public policy, the remaining provisions of this Lease shall remain in full force and effect and will not be affected by such determination in any way.

FOR REFERENCE ONLY

FOR REFERENCE ONLY

Annexure B (Lease Agreement) – PCBDDA Payments

1. Lease Rent:

- (a) The Lessee shall pay Lease Rent to Lessor in accordance with this Schedule B (Payment of Lease Rent).
- (b) The lease rent for the Land shall be paid by the Lessee to the Lessor on a monthly basis as detailed below (the “**Lease Rent**”).
[in accordance with the Developer’s Bid/Proposal finally approved by the PCBDDA]
- (c) The Lessee shall procure that any and all payments received by the Lessee for the allotment/sub-lease of Land from the allottees are deposited into the [Project Capital Account] in accordance with the JV Agreement.

2. Land Title Transfer Payment:

- (a) The Parties agree that the title of the Land shall be transferred by PCBDDA to the Lessee upon or around issuance of the Project Completion Certificate and upon receipt of all the PCBDDA Payments.

[in accordance with the Developer’s Bid/Proposal finally approved by the PCBDDA]

ALLOTMENT LETTER

[insert reference number]

[insert date]

[insert name]

[insert designation]

[insert name of []]

[insert address]

Subject: Allotment of [Apartment/house] (the “Allotment Letter”)

Dear Sir,

We write with reference to the application number [insert number] dated [insert date] in respect of acquiring [...] (the “**Property**”) by [insert name of the occupier] (the “**Buyer**”). This Allotment Letter can be assigned by the [Developer] to PCBDDA or any of its nominated entity.

I am directed to inform you that the [insert name of the Developer] has approved your application for allotment of the Property for the purposes of [•] subject to terms and conditions appearing hereunder:

1. The purchase price of the Property shall be made by the [•] in accordance with Schedule A (*Instalment Schedule*) to this Allotment Letter. Such purchase price shall be deposited by the [•] in Developer’s bank account details of which appear below:

[insert details of each Account maintained by the Developer under this Agreement]

(the “**Developer’s Bank Account**”)

2. The [•] shall take possession of the Property within [•] of this Allotment Letter from [insert name],[insert designation of the person in Developer’s organization], [insert name of the Developer].
3. The maintenance charges shall be deposited in the Developer’s Bank Account by the [•]. Such maintenance charges shall be increased by [ten percent (10%)] on an annual basis or such other amount as the Developer may decide in its sole discretion.
4. Notwithstanding the anything contained herein, this Allotment Letter shall stand cancelled and all payments made to the [insert name of the Developer] shall stand forfeited in the event the [allottee] fails to make the required payments under this Allotment Letter for a period of [six (6) months].
5. This Allotment Letter is non-transferable and non-assignable until full purchase price has been paid.
6. The [allottee] shall comply with all applicable laws of Islamic Republic of Pakistan including laws relating to environmental protection and any and all directions, notifications and orders issued by the [insert name of the Developer] or any other relevant authority.

Please convey the [allottee's] acceptance to the terms and conditions of this Allotment Letter within [five (5) days] of the date of this Allotment Letter. This Allotment Letter shall stand cancelled and all payments made under this Allotment Letter shall stand forfeited in the event the [allottee] fails to convey its acceptance within the time period stipulated hereinabove.

[insert name]

[insert designation]

FOR REFERENCE ONLY



**Punjab Central Business District
Development Authority**

www.cbdpunjab.gov.pk

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