PAKISTAN RAILWAYS
HEADQUARTER OFFICE
LAHORE

INVITATION TO e-BIDS THROUGHT EPADS v2.0

Pakistan Railways invites e-proposals from **reputable national firms/companies/JVs having relevant experience in the education sector** for outsourcing of the following **07 schools (closed)** under the **Public-Private Partnership (PPP)** model on **RUOT basis**.
The concession period shall be **30 years, including 02 years mobilization period**.

S.No.	School Name	Division
1	P.R Girls Middle School Mayo Garden, Lahore	Lahore
2	P.R Zubaida Industrail School, Lahore	Lahore
3	P.R. Primary School, Faisalabad	Lahore
4	P.R Industrial School, Quetta	Quetta
5	P.R. Boys High School, Risalpur	Risalpur
6	P.R. Secondary School, Kotri	Karachi
7	P.R. Secondary School, Pipri	Karachi

INSTRUCTIONS

1. Directorate of Education (Pakistan Railways), invites electronic bids of Single Stage Two Envelope from interested firms / companies Individual / Individual Consultant, Sole Proprietorship, Partnership Firm, Company (Private Limited) for disposal of Outsourcing of Railway Managed Schools (Closed) on as is where is basis. The bidders must be registered with Federal Board of Revenue (FBR) for Income Tax and Sales Tax, and must be on Active Taxpayer List. (Requirement of PEC registration may be added in case of disposal of civil, electrical, or mechanical works).
2. E-bidding documents as per Disposal of Public Assets Regulations-2024, containing detailed terms and conditions, specifications and requirements etc. are available for the registered bidders on EPADS v2.0 at https://vendors.epads.gov.pk/, and may be searched by using Disposal Activity ID No. D11097.
3. Manual bids shall not be accepted. Electronic bids must be submitted through EPADS v2.0 on or before Wednesday, November 18, 2026 02:00 PM, and will be opened on-line on the same day at Wednesday, November 18, 2026 02:30 PM. The participated bidders shall be automatically notified by EPADS v2.0 regarding the preliminary results of e-Disposal proceeding, after which final results will be notified in due course as per bidding documents.

Note: The detailed Bid Documents (RFP) is available at below mentioned address.

Director General/Education
Pakistan Railways, Headquarters Office
Empress Road, Lahore
Email: dgeducation4050@gmail.com
Ph: +92-42-99201753, 0300-6847196
Website: www.pakrail.gov.pk

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REQUEST FOR PROPOSAL (RFP)

FOR THE

REHABILITATION, UP-GRADATION

AND OPERATION OF PAKISTAN RAILWAYS CLOSED SCHOOLS (NON-OPERATIONAL)

AS A
PUBLIC PRIVATE PARTNERSHIP ON

REHABILITATE-UPGRADE-OPERATE-TRANSFER MODE

Pakistan Railways

October, 2026



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Disclaimer

Pakistan Railways **("PR") in line with policies/guidelines** of the Public Private Partnership Authority established by the Federal Government of Pakistan, hereby invites proposals/bids through this Request for Proposal (the **"RFP")** from interested domestic for the schools rehabilitation, up-gradation and operation projects on a Rehabilitate-Upgrade-Operate-Transfer (RUOT) mode following a "Single Stage, Two Envelopes" bidding process.

This RFP is an invitation to bid and does not constitute any commitment on the part of the PR to enter into any binding relationship and/or contract with any of the Bidder(s). In the event that any omissions, deletions, alterations are required to be made to this RFP, PR reserves the right to do the same (as and when required prior to the opening of bids). However, the Bidders will be informed accordingly of the same as expeditiously as possible. The PR reserves the right to withdraw from the process, or any part thereof, or to vary any of its terms at any time without assigning any reason to such variation whatsoever and the PR shall have no financial or other obligation whatsoever in such an event.

The assumptions, facts, statements, representations etc. made in this document are correct to the best of the PR's knowledge and belief and the same are provided for general information to interested parties and do not purport to be comprehensive or contain all of the information that such Bidder may desire with respect to the Project. Each Bidder is advised to conduct its own investigations and analysis and to 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 the basis of the information provided by the RFP. The PR shall not be responsible for the same in any manner whatsoever for any statements, opinions or information provided in the RFP.

All information submitted in response to the RFP becomes the property of the PR. While the PR shall take reasonable care and diligence for maintaining the confidentiality of such information, it will not accept any responsibility for the same including of any trade secrets or proprietary data submitted to the PR.

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 hereinabove.

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Acronyms

BOEC	Bid Opening and Evaluation Committee
CV	Curriculum Vitae
PR	Pakistan Railways
PPP	Public Private Partnership
PKR	Pakistan Rupees
RFP	Request for Proposal
SPC	Special Purpose Company

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Definitions & Interpretations

1. Definitions

1.1. **"Best Evaluated Bid"** means a Bid which conforms to the Technical Proposal evaluation criteria and is the highest bid according to the criteria prescribed in this Bidding Document.

1.2. **"Bid/Proposal"** means the Technical and Financial Proposals and other related documents submitted by the Bidders in response to issuance of this RFP.

1.3. **"Bidders"** mean all parties submitting Bids in response to this RFP.

1.4. **"Bidding Process"** shall mean the entire process commencing from issuance of RFP until signing of the Concession Agreements with the successful Bidders.

1.5. **"Bid Bond"** means the Pay Order/CDR/bank guarantee, for a sum in PKR of the amount specified in Section E of this RFP (depending on which Project School is being bid for) in favor of the PR in the form and manner annexed hereto as **Form 2 of Section C "Bid Forms",** issued from any scheduled bank of Pakistan to be submitted by a Bidder together with the Bid to secure the obligations of the Bidder participating in the Bidding Process. The Bid Bond shall be valid for the duration of the Bid Validity Period. The Bid Bond shall be returned to all the unsuccessful Bidders within 1month after the award. The Bid Bonds of successful Bidders shall also be refunded upon submission of the performance security as specified in the Concession Agreements.

1.6. **"Bid Submission Date"** means the date on or before which Proposals can be submitted as described in the Letter of Invitation (LOI) of this RFP.

1.7. **"Concession"** means the concession to be granted to the Concessionaires by the PR pursuant to this RFP, in terms of and pursuant to the Concession Agreements.

1.8. **"Concession Agreements"** or the **"Draft Concession Agreements"** means the agreements governing the relationship between PR and each successful Bidder/Concessionaire that is substantially and materially based on the attached draft Concession Agreement.

1.9. **"Concession Period"** means a period of 30 years (including mobilization period) or a shorter period in case of early termination in accordance with the relevant provisions of the Draft Concession Agreement.

1.10. **"Government"** means the Federal Government of Pakistan.

1.11. **"Miss-procurement"** means any action or omission during the Bidding Process that was carried out in contravention of any provision of the laws, rules, regulations, orders or instructions of public procurement laws in Pakistan or any other law in respect of or related to public procurement and declared to be such by the PR.

1.12. **"Project"** means, subject to the provisions of each Concession Agreement, the rehabilitation/up-gradation, financing, operation and maintenance of a Project School and/or college including (i) rehabilitation/up-gradation of the existing infrastructure available at a Project School; (ii) undertaking such activities as provided in the scope of concession set forth in the Concession Agreement; (iii) financing the rehabilitation/up gradation cost; (iv) operating and maintaining the Project School (iv) collection of fees from the students; (vi) provision of quality education as per concessionaire's mandate under the Concession Agreement; (vii) payment of quoted percentage (%) Gross Revenue Share to PR and (viii) transfer of all rights in the Project School and under the Concession Agreement to PR at the end of the Concession Period or on prior termination of the Concession Agreement.

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1.13. **"Project School"** means the educational institution, including but not limited to primary and secondary schools and colleges, owned by PR, earmarked for the development of each Project, to be specified in the relevant Concession Agreement, wherein the relevant Project is to be developed, implemented, established, operated, up-graded maintained and managed by the relevant Concessionaire in accordance with the provisions of the Concession Agreement. For the avoidance of doubt, it is clarified that there are a number of proposed Project Schools, a list of which is contained in **Section E** of this RFP. A Bidder may bid for one or more Project Schools in accordance with the terms of this RFP.

1.14. **"PPRA Ordinance"** means Pakistan Procurement Regulatory Authority Ordinance, 2002, as amended from time to time.

1.15. **"PPRA Rules"** mean the Pakistan Public Procurement Rules 2004, as amended from time to time.

1.16. **"PPP Act"** means Pakistan Public Private Partnership Authority Act, 2017 as amended from time to time.

1.17 " Joint Venture or Consortium" Joint Venture (JV) or Consortium shall be treated a synonyms. All partners in the JV or consortium shall sign the Concession Agreement and shall be jointly and severely responsible.

All terms and conditions not defined herein shall bear the same meaning as set out in Draft Concession Agreement.

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2. Interpretations:

In this RFP, unless the context otherwise requires:

2.1. any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;

2.2. the words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal entity);

2.3. the headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this RFP;

2.4. the words "include" and "including" are to be construed without limitation;

2.5. any reference to any period of time shall mean a reference to that according to Pakistan Standard Time;

2.6. any reference to day shall mean a reference to a calendar day;

2.7. any reference to month shall mean a reference to a calendar month;

2.8. any reference to Bidder(s) shall mean an entity submitting the Proposal or a group of entities submitting the Proposal as a joint venture (JV) or consortium, and any reference to the Concessionaire shall mean the special purpose company incorporated by successful Bidder(s) (if applicable) with whom Concession Agreement(s) has or have been signed;

2.9. the attached volumes of this RFP or any addendum issued later on to provide further clarification to the Bidders, if any, form an integral part of this RFP and shall be enforced and construed as though they were expressly set out in the body of this RFP, jointly referred to as "Bidding Documents";

2.10. unless otherwise stated, any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;

2.11. any reference to Bidding Process shall mean the entire process commencing from issuance of RFP until signing of Concession Agreements with the Concessionaires; and

2.12. Where there is any inconsistency in this RFP with the Draft Concession Agreement, the provisions of the Draft Concession Agreement, to the extent of such conflict, shall prevail.

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Letter of Invitation

Date: December, 2025

Subject: **Rehabilitation, up-gradation and operation of Pakistan Railways Closed Schools on Rehabilitate-Upgrade-Operate-Transfer modality under Public Private Partnership (PPP) mode in light of the PPP Act.**

Dear Sir/Madam,

1.1. Pakistan Railways **("PR")** hereby invites you to submit your Technical and Financial Proposal for Rehabilitation, Up-gradation and Operation of Pakistan Railways Closed Schools on Rehabilitate-Up-grade-Operate-Transfer modality under Public Private Partnership **("PPP")** mode in light of the PPP Act. Please find enclosed the Request for Proposal (the **"RFP")** on the basis of which Bids are to be prepared and submitted.

1.2 There are various Project Schools which are listed in **Section E** of the RFP. A Bidder may bid for one or more Project Schools in accordance with the terms of the RFP. However, the Bidder must submit separate proposal (both Technical & Financial) for each school.

1.3 Bids are required to be submitted by **18th November, 2026 on or before 14:00 Hours** Pakistan Standard Time at the address mentioned below:

Director General, Education
Pakistan Railways, Headquarters Office,
Empress Road, Lahore
Phone: 92-42-99201753
Email: dgeducation4050@gmail.com

1.4 A Pre-bid meeting is scheduled to be held on **28th October, 2026 at 11:00** am in the office of Director General/Education Pakistan Railways, Headquarters Office, Empress Road, Lahore in order to facilitate the understanding of interested parties on this RFP and the Project itself.

1.5 No Bidder shall be allowed to alter or modify its Bid once the same has been submitted.

1.7. The Project is to be established within the purview of the PPP Act and Rules framed thereunder.

1.8. Bids are being solicited under a 'Single Stage, Two Envelopes' competitive bidding process as prescribed by the PPP Act and each Bid is required to contain separately sealed Technical and Financial Proposals within an outer sealed envelope.

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1.9. Bidders are required to provide a Bid Bond with their Bids.

1.10. Under no circumstances shall the PR consider a conditional Bid.

1.11. Costs of preparing the Bids, including any visits to the Project Schools or any other location, are not reimbursable.

1.12. The PR reserves the right to reject all Bids at any time prior to the acceptance of a Bid. The PR will, upon request, communicate to any Bidder, the grounds for its rejection of all Bids, but shall not be required to justify those grounds. It shall incur no liability, solely by virtue of such rejection of a Bid. The Bidders shall be promptly informed about the rejection of the Bids.

1.13. Notwithstanding anything to the contrary contained in the RFP, the detailed terms specified in the Draft Concession Agreement shall have an overriding effect; provided, however, that any conditions or obligations imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under the Concession Agreement. However, any condition, which discriminates between Bidders or which is difficult to meet should be immediately brought to the notice of the PR for review.

1.14. In case a Bid is submitted by a consortium or a joint-venture, all members thereof are required to furnish a power of attorney in favor of the lead member using the format provided as **Form-6 of Section C "Bid Forms"** of this RFP.

Director General, Education
Pakistan Railways, Headquarters Office,
Empress Road, Lahore
Phone: 92-42-99201753
Email: dgeducation4050@gmail.com

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Section A: Information to Bidders

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1. Project Bidding and Execution Schedule:

The sequence of activities to be performed and their tentative schedule is as follows:

S.NO.	Item	Timeline
1.	Issuance of RFP	October, 2026
3.	Pre Bid Meeting	**October** 28th, 2026
4.	Last date for submission of Bids	**November** 18th, 2026
5.	Opening of technical proposals	November 18th, 2026
6.	Technical evaluation of the Bids	Within 21 days of bid opening
7.	Financial Bid opening	Date & Time will be issued upon completion / announcement of technical evaluation
8.	Financial Bid evaluation	Within 21 days of the financial bid opening
9.	Letter of Award issued to successful Bidders	Upon completion / announcement of successful bidders
10	Signing of Concession Agreements	As per agreed schedule

PR may, in its sole discretion (subject to applicable laws) and without prior notice to Bidders, amend the above mentioned timetable. PR shall not incur any liability whatsoever arising out of amendments to the above timetable.

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2. Introduction and Background of the Project:

2.1 Project Introduction and Background

Pakistan Railways (PR) is a national, state-owned strategic railway company of Pakistan. It was founded in 1861 and its headquarters is in Lahore. It provides an important mode of transportation in the farthest corners of the country and brings them closer for business, sightseeing, pilgrimage and education. It has been a great integrating force and has provided a fast, reliable and economical mode of rail transportation for the large scale movement of people and freight.

PR also owns land and infrastructure for several educational institutes at multiple locations in Pakistan. These educational institutes were formalized with the concept to provide quality education to the children of Pakistan Railways employees. Currently, these schools are closed (Non-operational).

Total six (07-closed) educational institutes are the subject of the instant Project, details of which are included in Section E to this RFP. These educational institutes are cited in/near major cities of Pakistan; two (02) in Karachi Division, one (01 closed/ abandoned Industrial School) in Quetta Division 03 Lahore Division and 01 in Risalpur. PR now intends to outsource the rehabilitation, up-gradation and operations of these institutes to private party(s) under the Public Private Partnership (PPP) mode.

The following are the three different categories of Project Schools that are the subject matter of this instant bidding process:

CATEGORY A

The following are the list of Project Schools at Tehsil Level:

S.No	Institute Name	Location	Area (Kanals)
1	P.R. Boys High School, Risalpur	Risalpur	42

CATEGORY B

The following are the list of Project Schools at District Headquarters Level:

S.No	Institute Name	Location	Area (Kanals)
1	P.R. Secondary School, Kotri	Karachi	3.08 Kanal
2	P.R. Secondary School, Pipri	Karachi	8.9 Kanal
3	P.R. Primary School, Faisalabad	Faisalabad	13 Kanal

CATEGORY C

The following is the list of Project Schools at Provincial Capital:

3.

S.No	Institute Name	Location	Area (Kanals)
1	P.R Closed/Non-Operational Industrial School, Quetta	Quetta	2.69
2	P.R Girls Primary School Mayo Garden, Lahore	Lahore	3.65
3	P.R Zubaida Industrial School, Lahore	Lahore	4.91

Note: *Areas of various schools shown above are tentative and are for the guidance of the prospective*

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Bidders, which may vary.

2.2 Scope of Work

The Concessionaire(s) shall be responsible for the overall implementation of the Project including, but not limited to, the up-gradation/rehabilitation, financing, operations and maintenance of the Project in line with the terms and conditions provided in the Draft Concession Agreements on the specific Project School(s) allotted to each Concessionaire through the Bidding Process.
The Concessionaire(s) shall also be allowed to switch the Examination Board from Provincial to Federal Board etc. after fulfillment of all codal formalities and adherence of rules and regulations without altering the fee structure and quota capped for Railway Employees children.

2.3 Concession Framework

Responsibilities of the PR for the transaction will entail the following steps:

a. PR shall be responsible to provide the Project School premises to each private party for the rehabilitation, up-gradation and operations of the Project during the Concession Period.

b. Concession agreements shall be governed by the Pakistan Public Private Partnership PPP act 2017 and all relevant rules and regulations made their under and all approvals for the concession shall be acquired in line with the policies of the PPP authority.

c. PR shall be responsible to provide an enabling environment to the private parties for the execution of the Project.

Each private party being the Concessionaire for a particular Project School shall be responsible, inter alia, for the following:

a. A Private Party, if a natural person, shall incorporate (if deemed appropriate by the private party) solely for the purpose of implementing and operating the project in accordance with the terms of the relevant concession agreement. The SPC shall not engage in any other project or business activity not related to the project. In case a successful bidder is a consortium, the entire shareholding of the SPC should be held by the consortium members. For clarification, this requirement shall not apply where the concessionaire is a single corporate entity.

b. Private party shall be responsible for the development of the Project in accordance with conditions as may be specified in the relevant Concession Agreement entered into between PR and such private party. Private party shall bear all the direct and indirect costs that pertain thereto.

c. Private party shall at its own cost and expense obtain all Applicable Permits/licenses for the Project which are required under laws applicable from time to time throughout the Concession Period. All NOCs/ Fees in this regard payable to any Provincial/ District/ Local authority shall be borne by the Private Party, however PR shall extend its complete assistance while getting such NOC''s/ Permits.

d. Private party shall bear responsibility for financing required to undertake the Project. It shall be the sole responsibility of the Concessionaire, to repay the amount of debt raised through periodic interest and principal repayments (as agreed with the lending institution).

e. Private party may undertake Project related development works and services by itself or through contractor(s) possessing requisite technical, financial and managerial expertise / capability; but in any case the private party shall remain solely responsible for all liabilities and obligations under the Concession Agreement, and for the overall supervision, monitoring and control of the activities of all the contractors, sub-contractors, their employees and agents engaged under respective Project Agreements as may be necessary.

f. Private party shall develop, operate & up-grade the Project during Concession Period in accordance with the terms specified in the Concession Agreement.

g. The private party shall be responsible for setting up the proper and appropriate level of security arrangements for the protection of the Project School.

h. Private party shall follow applicable federal and provincial laws, regulations and rules of the Islamic Republic of Pakistan regarding *inter alia* educational and other relevant aspects.

i. Private party upon completion of the concession period or in case of prior termination shall transfer all rights in the Project School and under the Concession Agreement to PR. The

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Private party shall be bound to handover the building infrastructure without any damage, in running condition to PR. All the furniture provided during the concession period shall be the property of PR.

j. All the modification, alteration and up-gradation shall be made in consultation with PR authorities.

2.4 Project Monitoring

PR may, at its sole discretion, either designate an official of its own or appoint one (1) or more Consultants, as and when required, in accordance with the PPRA Ordinance and the rules formulated thereunder, to oversee the Concessionaire's works including, but not limited to, assessing various performance metrics such as quality of the work done, education standard, students assessment mechanism, teachers training protocols, science and IT labs etc. Details regarding appointment of Consultants are set forth in the Draft Concession Agreement.

2.5 Transfer of Revenue Share to PR

The PR Share in the Gross Revenue shall be transferred into the bank account specified by PR directly on daily basis, by setting up accounting software (to determine the sources of revenue generation, to accurately track the daily revenue generation from multiple sources, generate daily reports showing total revenue generated by logging all revenue transections, apply the revenue sharing formula to calculate each party's share of the revenue & to transfer the calculated shares to the specified bank accounts).

The concessionaire shall develop the above mentioned software in liaison with Director General, IT/PR with complete access and keys to be provided to the DG/IT/PR. All the expenses including operation, licensing, maintenance, hardware procurement etc. shall be borne by the concessionaire till the completion/termination of concession period.

2.6 Performance Guarantee / Security

Each Concessionaire shall, for due and punctual performance of its obligations under the Concession Agreement, deliver to the PR an irrevocable and unconditional bank guarantee (the **"Performance Guarantee")** acceptable to the PR. Such Performance Guarantee shall be for an amount equal to **Rs.5 million in Provincial Capital, Rs. 3 million in District Headquarters and Rs. 2 million for the Schools/College at Tehsil Level** with validity period provided in the Concession Agreement.

2.7 Financing of the Project

The Concessionaire shall be required at its own cost, expense and risk to make such financing arrangement as would be necessary to finance the Project and to meet the obligations under the Concession Agreement in a timely manner.

2.8 Confidentiality

Information relating to the examination, clarification, evaluation and recommendation of Bids shall not be disclosed to any person who is not officially concerned with the Bidding Process or is not a retained professional advisor advising PR in relation to, or matters arising out of, or concerning the Bidding Process. The PR will treat all information, submitted as part of the Bid, as confidential and will require all those who have access to such material to treat the same as such. PR shall not divulge any such information unless: (a) it is directed to do so by any statutory entity that has the power under law to require its disclosure; or (b) is disclosed to enforce or assert any right or privilege of a statutory entity and/or PR or as may be required by law or in connection with any legal process.

2.9 Code of Ethics for Bidder

(a) The Bidders must not be involved in offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the Bidding Process or in Concession Agreement execution to the detriment of PR or other procuring agencies involved.
(b) The Bidders will not misrepresent the facts in order to influence the procurement process

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or the execution of the Concession Agreements.

(c) The Bidders will not engage in collusive practices (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive PR of the benefits of free and open competition.

(d) PR shall ensure that an individual consultant or a consulting firm, for an assignment, shall not be hired where there is a conflict of interest.

(e) The selected Successful Bidders shall have to enter into an integrity pact with PR.

(f) The Bidder should not submit any information concerning its qualification, which is false and inaccurate or incomplete otherwise he shall be disqualified from the Bidding Process.

(g) Bidders who are found to be indulged in Corrupt or Fraudulent Practices shall be debarred from participating in the Bidding Process.

2.10 Fraud and Corrupt Practices

The Bidders and their respective officers, employees, agents and advisers are required to observe the highest standard of ethics during the Bidding Process and during the subsistence of the Concession Agreement. Notwithstanding anything to the contrary contained herein, or in the Draft Concession Agreement, PR shall reject a Bid, or terminate the relevant Concession Agreement, as the case may be, without being liable in any manner whatsoever to the Successful Bidder or Concessionaire, as the case may be, if it determines that the Successful Bidder or Concessionaire, as the case may be, has, directly or indirectly or through an agent, engaged in Corrupt or Fraudulent, coercive, undesirable or restrictive practices in the Bidding Process. In such an event, the PR shall appropriate in full the Bid Bond or Performance Guarantee, as the case may be, without prejudice to any other available rights and remedies. The following terms shall fall under the meaning of Corrupt and Fraudulent Practice and have the meanings hereinafter respectively assigned to them:

"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 Bidding Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of PR who is or has been associated in any manner, directly or indirectly with the Bidding Process or has dealt with matters concerning the Concession 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 PR, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the execution of the Concession Agreement, as the case may be, with any person in respect of any matter relating to the Project or the Concession Agreement, who at any time has been or is a legal, financial or technical advisor of PR in relation to any matter concerning the Project;

"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;

"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;

"Undesirable practice" means (i) establishing contact with any person connected with or employed or engaged by PR with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a conflict of interest; and

"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.

2.11 Disqualification

PR shall have the right to cross check the validity of the documents submitted by the Bidder.

The following will lead to the disqualification of Bidder(s) from the Bidding Process:

a. Submission of eligibility or qualification information which is false, fabricated, inaccurate or otherwise not in consonance with the terms of this RFP or the Concession Agreement; or
b. Submission of incomplete Bids and Bids without Bid Bond shall be disqualified.

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2.12 Reservations and Preference

PR shall allow all prospective Bidders to participate in this bidding procedure without regard to nationality except in cases in which PR decides to limit such participation to national Bidders only or prohibit participation of Bidders of some nationalities in accordance with the policy of the Federal Government of Pakistan.

2.13 Scope of Concession (extract from Concession Agreement)

Subject to and in accordance with the provisions of this Agreement including specifications and standards, Applicable Laws, Applicable Permits, terms of clearances, Good Industry Practice, the Concession hereby granted shall oblige or entitle (as the case may be) the Concessionaire, during the Concession Period, at its own cost to:

a. Rehabilitate, up-grade / construct, finance, operate, maintain and manage the Project School (including management of education quality, hiring of teaching and other staff, training of staff (teaching or otherwise), student affairs and admissions and school fee policy) and transfer all its rights to the Project School to the Concessioning Authority on the expiry or the prior termination of the Concession Period;
b. Up-grade the Project School, if it so chooses, into a college or university, educational evening academy and/or build additional infrastructure (including hostels) within 5 years from appointed date;
c. Refrain from and prohibit exploitation of the Project School for non-educational purposes;
d. Perform and fulfill all of the Concessionaire's obligations in accordance with this Agreement;
e. Bear and pay all costs, expenses and charges in connection with or incidental to the performance of the obligations of the Concessionaire under this Agreement;
f. Subject to this Agreement and other relevant provisions under Applicable Laws, enter into agreements with such legal entities, as it may deem necessary and appropriate, for performing its obligations under this Agreement;
g. Can Create an Encumbrance, with respect to its rights and obligations under this Agreement excluding any right related to the Project School, in favor of Lenders, only during the Concession Period strictly in part or whole, and in accordance with the terms of this Agreement. Provided that:
    i. the Concessionaire shall create an Encumbrance in strict compliance with the provisions of this Agreement.
    ii. the Concessionaire shall not sub-let or mortgage or create any other Encumbrance over the Project School or any part of the Project School for any purpose without prior written approval of the Concessioning Authority; and
h. Exercise such other rights and obligations as the Concessioning Authority may determine as being necessary or desirable for the purpose or incidental and necessary for implementing the Project.
i. 25% seat quota of admission is allocated/capped in each project school till 10th standard or equivalent for the children of Pakistan Railways (PR) employees which shall remain unchanged throughout the concession period. However, priority within this quota shall be given to the children of PR employees serving in BPS-1 to BPS-16.
j. The concessionaire shall be provided equal business opportunity to introduce English medium/ Grammar/ International Baccalaureate/ Cambridge/ Oxford curriculum based education programme etc. by allowing the newly enrolled Railways Employees children to be adjusted in the equivalent grades and made part of the above mentioned programmes, without any discrimination by observing the quota capped for the Railway Employees children and fee structure as fixed by PR, given below:
k. The fee structure (inclusive of fee & funds notified by Railways) for children of Railway employees shall be as under:
    i. Upto Primary (5th Class) – Max Rs. 1000 per month
    ii. Beyond Primary and upto 10th Class – Max Rs. 1500 per month
    iii. For college Intermediate level (FA, FSc, Icom, ICS, FA/IT) – Max Rs. 2000 per month
    iv. For college, Graduation level (Associate Degree Program) – Max Rs. 2500 per month
    v. For Master level (BS Honor) – Max Rs. 5000 per month
    vi. For B.Sc Engineering and other technical education including allied health sciences program – Half of actual fee.

NOT FOR SALE

Note:

a. *The concessionaire shall be allowed to increase Railway employee children (students) fee @ 5% per annum on compound basis.*
b. *For new educational categories / disciplines maximum reserved for children of Railway employees shall be 10% of total seats of that category / discipline.*
c. *However, in case of BSc engineering and other similar disciplines admissions shall be granted strictly on merit among eligible railway employees' children, subject to the fulfillment of admission criteria set by the Government of Pakistan for engineering education.*

NOT FOR SALE

Section B: Instructions to Bidders on Submission of Proposals

NOT FOR SALE

1. Bid Preparation

Each Project School, which is being offered to the Bidders through the Bidding Process, is listed in **Section E** hereof. Separate Bids will need to be made for each Project School. A Bidder may bid for one or more of the Project Schools that are listed in **Section E.** Bidders are expected to submit their respective Bids after conducting their independent due diligence vis- a-vis the proposed Project, including *inter alia* visiting the Project School that they are specifically bidding for and ascertaining for themselves the educational institution's conditions, location, surroundings, student data, availability of utilities, handling and storage of materials, teachers data, project viability, applicable laws and regulations, and any other matter considered relevant to undertaking the Project. By submitting a Bid, the Bidder shall be deemed to have:

a. made a complete and careful examination of this RFP and attached volumes;

b. received all relevant information requested from PR;

c. satisfied itself about all matters, things and information including matters hereinabove necessary and required for submitting an informed Bid, execution of the Project in accordance with the RFP and Draft Concession Agreement, and performance of all of its obligations thereunder;

d. acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the RFP or ignorance of any of the matters hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from PR, or a ground for termination of the Concession Agreement(s) by the Concessionaire(s);

e. conducted all relevant surveys and tests, if required, regarding the relevant Project School;

f. acknowledged that it does not have a conflict of interest; and agreed to be bound by the undertakings provided by it under and in terms hereof; and

g. Acknowledged that PR shall not bear any responsibility towards the successful Bidder in regards to any issue that may arise in relation to the data regarding the relevant Project School.

2. Only One Proposal

A Bidder shall be allowed to submit only one Bid for each Project School being offered, however, a Bidder may apply for more than one Project School at a time subject to fulfilment of necessary formalities, either by itself, or as a lead member in a consortium or joint venture. For a Bid in relation to one Project School, a Bidder shall not:

a. have common controlling shareholders or other ownership interest with any other Bidder (or any constituent thereof); or

b. be a member (as defined in the Companies Act, 2017, as amended from time to time) of another Bidder; or

c. receive or have received any direct or indirect subsidy from any other Bidder, or have provided any such subsidy to any other Bidder; or

d. have the same legal representative for purposes of this Bid as any other Bidder; or

e. Have a relationship with another Bidder, directly or through common third parties, that puts it in a position to have access to each other's information about, or to influence the Bid of either Bidder.

Any Bidder found in violation of these terms shall be disqualified and PR shall be entitled to appropriate the Bid Bond of the said Bidder.

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3. Bid Bond/Security

Each Bidder shall submit a Bid Bond with the Bid. In case Bidder is bidding for more than one Project School, separate Bid Bonds for each Project School should be submitted. The Bid Bond amount will vary for each Project School. The Bid Bond amount for each Project School shall be in PKR in the amount specified in **Section E** of this RFP. Any Bid not accompanied by a Bid Bond in the requisite amount shall be rejected by PR. Bid Bonds of unsuccessful Bidders shall be released within thirty (30) Days of issuance of Letter of Award.

The Bid Security shall be forfeited under the following conditions:

a) If a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified the RFP;
b) If a Bidder withdraws its Bid during the Bid Validity Period as specified in this RFP and as may be extended by mutual consent of the respective Bidder(s) and the PR;
c) In the case of the Bidder, if it fails within the specified time limit:
   (i) to accept the LoA and / or to sign and return the duplicate copy of LoA; or
   (ii) to sign the Concession Agreement; or
   (iii) to furnish the Performance Security within the stipulated period.

4. Bid Validity

Bids shall be valid for a period of one hundred and eighty (180) days from the Bid Submission Date ("Bid Validity Period"). In exceptional circumstances, prior to expiry of the original Bid validity period, PR may request Bidders to grant a specified extension in the period of validity. This request and the response thereto shall be made in writing or through fax or email. A Bidder may refuse the request without forfeiting its Bid Bond. A Bidder agreeing to the request shall extend the validity of the Bid Bond correspondingly. The Bid Bond shall be returned to the Successful Bidder upon submission of the executed Performance Guarantee.

5. Taxation

The Concessionaire shall be liable to pay all applicable federal, provincial and local taxes. Any change in law resulting in increase or decrease of taxes shall be treated in accordance with the Concession Agreement.

6. Language and Currency

The Bid and all related correspondence and documents in relation to the Bidding Process shall be in the English language for the ease of comprehension and comparability. Any supporting documentation or published material that is in another language must be accompanied by certified English translation(s) thereof acceptable to PR. Supporting materials, which are not translated into English, may not be considered for fixing the qualification criteria. For the purpose of interpretation and evaluation of the Proposal, the English language translation shall prevail.

The currency for the purpose of the Bid shall be Pakistani Rupees only.

7. Clarifications

Bidder requiring clarification on any of the terms contained in this RFP or attached volumes may seek such clarification by way of an e-mail to (dgeducation4050@gmail.com) . In the interest of fairness, any clarifications issued to any of the Bidders will be e-mailed to all the Bidders without disclosing the identity of the sender of the original request. A pre-bid meeting will also be held with all the Bidders to address the queries raised by the Bidders.

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8. Amendment of RFP

At any time prior to the Bid Submission Date, PR may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP through the issuance of Addenda. Any Addendum issued hereunder will be in writing and shall be sent to all the Bidders. In order to allow the Bidders a reasonable time for taking an Addendum into account, or for any other reason, PR may, at its sole discretion, extend the Bid Submission Date.

However, no amendments to the RFP or any of the Bid Documents shall be made at the request of the Bidder, after the issuance of an addendum (if any) to the Bid Documents after the last pre-bid meeting.

For the purposes of clarification, PR is not bound to make any changes to the RFP or any of its supporting Bid Documents. PR shall have the sole discretion and decision-making authority as to whether any changes need to be made or not to the RFP and it's supporting Bid Documents.

9. Bid Submission

Bidders shall submit one original Technical Proposal, and one original Financial Proposal and two (2) hard copies and one (1) soft copy of the Technical Proposals for each Project School that they wish to Bid for by **the November 18th, 2026 till 2:00 pm**. Each Proposal will have to clearly indicate which Project School the respective Proposal relates to. In case a Bidder wishes to make a Bid for more than one Project School, it will need to submit separate Technical and Financial Proposals for each Project School that it is bidding for. Each Proposal shall be in a separate envelope indicating original or copy, as appropriate. Bidders must not place any information or document forming part of the Technical Proposal in the envelope for the Financial Proposal and *vice versa*. The Technical and Financial Proposals shall be placed in sealed envelopes clearly marked "Technical Proposal" and "Financial Proposal" separately. The Bid Bond will be placed in the Technical Proposal envelope. These two envelopes, in turn, shall be placed in a sealed outer envelope bearing the address and information indicated in this Letter of Invitation. The envelope shall be clearly marked, "DO NOT OPEN, EXCEPT IN PRESENCE OF THE BID OPENING COMMITTEE". Bids shall be opened in a single stage two envelopes manner. Bids sent through fax or email shall not be considered.

The Technical and Financial Proposals shall be signed by a duly authorized representative of the Bidder. The Proposals shall include a Power of Attorney in **Form 3 of Section C "Bid Forms"** authorizing such representative to sign and submit the Technical and Financial Proposals to PR on behalf of Bidder. Authorized representative of Bidders shall make initials on each page of Technical and Financial Proposals. In case the Bidder is an entity (e.g. a company or a firm) then the stamp of that entity shall also be placed on every page of the Technical and Financial Proposal alongside the signature mentioned above.

The Proposals must be sent not later than the Bid Submission Date or any extension to this date, if provided by the PR. Any Proposal received after the deadline for submission shall be returned unopened. Proposals shall be sent at the addresses provided hereunder:

Director General Education
Pakistan Railways, Headquarters Office,
Empress Road, Lahore
Phone: 92-42-99201753
Email: dgeducation4050@gmail.com:

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10. Bid Opening

In order to avoid Mis-procurement, an unambiguous bid evaluation criteria has been provided in the RFP for all prospective Bidders. The Bid Opening and Evaluation Committee (BOEC) shall be formed to open, analyse and evaluate the Bids according to the criteria contained in this RFP. The BOEC does not have an obligation, responsibility, commitment, or legal liability towards any Bidder or any Bidder's advisers arising from this RFP or any Bid submitted in response to it, or from the Bidding Process.

The BOEC shall open the Technical and Financial Proposals for each Project School in the presence of Bidders at a date and time which shall be intimated, in advance, to the Bidders. The Bidders' representatives who are present shall sign a register in evidence of their attendance. BOEC shall examine the Bids to determine whether they are complete and responsive, whether the requisite Bid Bond has been furnished, whether the documents have been properly signed and whether the Bids are generally in order. Any errors or omissions in a Bid will be sufficient grounds for the BOEC to reject a Bid, however, the BOEC reserves the right to ask Bidders to correct any errors or omissions in their Bids to the BOEC's satisfaction. However, under no circumstances can a Bidder amend the quoted gross revenue share of the Project School it is offering as part of its Financial Proposal as the result of clarifying or rectifying a Bid. Bidders' names, Bid withdrawals (if any), the presence of the requisite Bid Bond and such other details as BOEC at its discretion, may consider appropriate, will be announced at the Bid opening. BOEC shall prepare minutes of the Bid opening for transparency and its own record.

11. Test of Responsiveness

Prior to and during evaluation of Bids, the BOEC shall determine whether each Bid is responsive to the requirements of this RFP, in accordance to the following:

a) it is received by the Bid Submission Date and Time (including any extension thereof);

b) it is accompanied by a Bid Bond in the format prescribed in **Form-2 of Section C "Bid Forms"** of this RFP;

c) it is accompanied by the power of attorney authorizing a representative in accordance with **Form-3 of Section C "Bid Forms"** of this RFP;

d) it is duly signed and each page is initialed by the bidder or authorized representative of the Bidder;

e) it is received as per the formats provided in **Section C "Bid Forms";**

f) it is signed, sealed, bound together in hard cover and marked as stipulated in the above clauses;

g) it is accompanied by an affidavit in accordance with **Form-4 of Section C "Bid Forms"** of this RFP;

h) it is accompanied by a duly signed and witnessed integrity pact in accordance with **Form-5** of **Section C "Bid Forms"** of this RFP;

i) it contains all the information (complete in all respects) as requested in this RFP; and

j) it does not contain any condition or qualification.

The PR reserves the right to reject any Bid which is declared by the BOEC as nonresponsive and no request for alteration, modification, substitution or withdrawal shall be entertained in respect thereof.

12. Evaluation of Bids

BOEC shall evaluate responsive Bids according to the evaluation criteria provided in this RFP. Any effort by Bidders to influence PR in the examination and evaluation of Proposals, and recommendation for award of the Project may result in the rejection of the Bidders' Proposal.

PR may, at any stage of the Bidding Process, having credible reasons for, or prima facie evidence of, any defect in the capacity or otherwise of a Bidder, whether or not qualified, or even otherwise may require the Bidder to provide such further information concerning its professional, technical, financial, legal or managerial competence as the PR may decide.

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12.1 Evaluation of Technical Proposal:

Responsive bids shall be considered for technical evaluation by BOEC. The Project Schools are divided into three categories (depending on the size of the Project School) and the technical evaluation for each category of Project Schools shall be done separately in the following manner:

(For the purposes of clarification, if the Bidder is bidding for multiple Project Schools then each Bid will be submitted by the interested Bidder separately and will be evaluated separately. In other words, a potential Bidder may have its Technical Proposal for one Project School disqualified even though it may have it qualified for a separate Project School.)

CATEGORY A

The Project at Tehsil Level:

S.No	Institute Name	Location	Area
1	P.R. Boys High School, Risalpur	Risalpur	42

In order to be technically qualified bid and qualify for next stage of bidding in this category, the Bidders shall have to satisfy the following conditions of eligibility (i.e. meet all the criteria in Part I and score at least 65 marks in Part II):

I) The Bidder MUST meet all of the following criteria:

a. Holder of National Tax Number (duly supported by **NTN** Certificate and official tax returns for the past three (3) years) or any equivalent thereof, if it exists, for foreign entities that prove that the Bidding entity is a registered taxpayer in the jurisdiction in which it is based.

b. Bidder must have an annual turnover of at least PKR 10 million over the last three (3) years. The Bidder must provide audited financial statements for the last three years along with the Technical Proposal.

c. Bidder's net worth should be equivalent to at least PKR 20 million. Net worth shall be as per latest audited accounts or wealth statements of the Bidder to be provided with Technical Proposal.

II) The Bidder must score at least sixty five (65) marks according to the following criteria:

Grading	Marks
Years of management of educational institute(s):	
10 years or more (10 Marks) 8 years or more and less than 10 years (8 Marks) 6 years or more and less than 8 years (6 Marks) 4 years or more and less than 6 years (4 Marks) 2 years or more and less than 4 years (2 Marks) Less than 2 years (0 Marks)	10
Number of institutes being managed by the Bidder in the education sector: above 40 (10 Marks) 31 to 40 (8 Marks) 21 to 30 (6 Marks) 11 to 20 (4 Marks) 1 to 10 (2 Marks) Below 1 (0 Marks)	10

NOT FOR SALE

Proposed methodology and work plan: Description of the strategy to improve governance, head teachers training and quality of education in the target institute (4 marks). Optimal up-gradation/maintenance of structure & facilities and provision of a conducive learning environment (4 marks). Actionable plan for improving individual student learning needs and providing differentiated student-centered learning environment (4 marks). Detailed summary of execution strategy to address management issues including maintenance of records (teachers' service/profession records, students personal and learning record, infrastructure/asset record, resource utilization record, staff leave record, etc.) school discipline, etc. (4 marks). Student assessment strategy i.e. school based or using the Specific Learning Outcomes (SLOs) (4 marks). Teachers hiring/management plan, strategy for Teachers' Continuous Professional Development (CPO) and evaluation of teachers performance (4 marks). Teachers hiring/management plan, strategy for Teachers' Continuous Professional Development (CPO) and evaluation of teachers performance (4 marks). Explanation of methodology to engage School Management Committee, parents and communities in school development (3 marks). An effective teacher and student attendance management system (3 marks). Provision of modern digital labs (science labs and computer labs) equipped with IT facilities and imparting IT skills (4 marks). Plan for co-curricular activities (3 marks). A detailed work plan for the first five academic years (Gantt chart supported with narrative) (3 marks).	40
Average Annual Turnover of last three years: PKR 20 million or more (20 Marks); PKR 15 million or more but less than PKR 20 million (15 Marks); PKR 10 million or more but less than PKR 15 million (10 Marks); Less than PKR 10 million (0 Marks) This should be supported by audited accounts or wealth statement for the past three years.	20

NOT FOR SALE

Financial Net Worth: PKR 30 million or more (20 Marks) PKR 25 million or more but less than PKR 30 million (15 Marks) PKR 20 million or more but less than PKR 25 million (10 Marks) Less than PKR 20 million (0 Marks) This should be supported by the latest audited accounts or wealth statement.	20
Total	**100**

Documentary evidence in support of the abovementioned criteria should be provided in the Technical Proposal in order to properly evaluate the same.

As mentioned hereinabove, in order to qualify, a minimum score of **sixty five (65) marks** is required.

The Financial Proposals of those Bidders whose Technical Proposal have been passed (i.e. those who have meet all the criteria stated in Part I) herein above and have achieved a minimum score of 65 marks in Part II) hereinabove shall have their Financial Proposals opened.

The Financial Proposals of those Bidders whose Technical Proposal has not been passed shall be returned unopened.

NOT FOR SALE

CATEGORY B

The following are the list of Project Schools at District Headquarters Level:

S.No	Institute Name	Location	Area
1	P.R. Secondary School, Kotri	Karachi	3.08 Kanal
2	P.R. Secondary School, Pipri	Karachi	8.9 Kanal
3	P.R. Primary School, Faisalabad	Faisalabad	13 Kanal
	Total		

In order to be technically qualified bid and qualify for next stage of bidding in this category, the Bidders shall have to satisfy the following conditions of eligibility (i.e. meet all the criteria in Part I and score at least 65 marks in Part II):

I) The Bidder MUST meet all of the following criteria:

a. Holder of National Tax Number (duly supported by NTN Certificate and official tax returns for the past three (3) years) or any equivalent thereof, if it exists, for foreign entities that prove that the Bidding entity is a registered taxpayer in the jurisdiction in which it is based.

b. Bidder must have an annual turnover of at least PKR 15 million over the last three (3) years. The Bidder must provide audited financial statements for the last three years along with the Technical Proposal.

c. Bidder's net worth should be equivalent to at least PKR 30 million. Net worth shall be as per latest audited accounts or wealth statements of the Bidder to be provided with Technical Proposal.

II) The Bidder must score at least sixty-five (65) marks according to the following criteria:

Grading	Marks
Years of management of educational institute(s): 10 years or more (10 Marks) 8 years or more and less than 10 years (8 Marks) 6 years or more and less than 8 years (6 Marks) 4 years or more and less than 6 years (4 Marks) 2 years or more and less than 4 years (2 Marks) Less than 2 years (0 Marks)	10
Number of institutes being managed by the Bidder in the education sector: Above 40 (10 Marks) 31 to 50 (8 Marks) 21 to 30 (6 Marks) 11 to 20 (4 Marks) 1 to 10 (2 Marks) Below 1 (0 Marks)	10

NOT FOR SALE

Proposed methodology and work plan: Description of the strategy to improve governance, head teachers training and quality of education in the target institute (4 marks). Optimal up-gradation/maintenance of structure & facilities and provision of a conducive learning environment (4 marks). Actionable plan for improving individual student learning needs and providing differentiated student-centered learning environment (4 marks). Detailed summary of execution strategy to address management issues including maintenance of records (teachers' service/profession records, students personal and learning record, infrastructure/asset record, resource utilization record, staff leave record, etc.) school discipline, etc. (4 marks). Student assessment strategy i.e. school based or using the Specific Learning Outcomes (SLOs) (4 marks). Teachers hiring/management plan, strategy for Teachers' Continuous Professional Development (CPD) and evaluation of teachers performance (4 marks). Explanation of methodology to engage School Management Committee, parents and communities in school development (3 marks). An effective teacher and student attendance management system (3 marks). Provision of modern digital labs (science labs and computer labs) equipped with IT facilities and imparting IT skills (4 marks). Plan for co-curricular activities (3 marks). A detailed work plan for the first five academic years (Gantt chart supported with narrative) (3 marks).	40
Average Annual Turnover of last three years: PKR 25 million or more (20 Marks) PKR 20 million or more but less than PKR 25 million (15 Marks) PKR 15 million or more but less than PKR 20 million {10 Marks) Less than PKR 15 million (0 Marks) This should be supported by audited accounts or wealth statement for the past three years.	20

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Financial Net Worth: PKR 40 million or more (20 Marks) PKR 35 million or more but less than PKR 40 million (15 Marks) PKR 30 million or more but less than PKR 35 million {10 Marks) Less than PKR 30 million (0 Marks) This should be supported by the latest audited accounts or wealth statement.	20
Total	**100**

Documentary evidence in support of the abovementioned criteria should be provided in the Technical Proposal in order to properly evaluate the same.

As mentioned hereinabove, in order to qualify, a minimum score of **sixty five (65) marks** is required.

The Financial Proposals of those Bidders whose Technical Proposal have been passed (i.e. those who have meet all the criteria stated in Part I) hereinabove and have achieved a minimum score of 65 marks in Part II) hereinabove shall have their Financial Proposals opened.

The Financial Proposals of those Bidders whose Technical Proposal has not been passed shall be returned unopened.

CATEGORY C

The following is the list of Project Schools at Provincial Headquarters Level:

S.No	Institute Name	Location	Area
1	P.R Closed/Non-Operational Industrial School, Quetta	Quetta	2.69
2	P.R Girls Primary School Mayo Garden, Lahore	Lahore	3.65
3	P.R Zubaida Industrial School, Lahore	Lahore	4.91

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In order to be technically qualified bid and qualify for next stage of bidding in this category, the Bidders shall have to satisfy the following conditions of eligibility (i.e. meet all the criteria in Part I and score at least 65 marks in Part II):

I) The Bidder MUST meet all of the following criteria :

a. Holder of National Tax Number (duly supported by NTN Certificate and official tax returns for the past three (3) years) or any equivalent thereof, if it exists, for foreign entities that prove that the Bidding entity is a registered taxpayer in the jurisdiction in which it is based.

b. Bidder must have an annual turnover of at least PKR 30 million over the last three (3) years. The Bidder must provide audited financial statements for the last three years along with the Technical Proposal.

c. Bidder's net worth should be equivalent to at least PKR 60 million. Net worth shall be as per latest audited accounts or wealth statements of the Bidder to be provided with Technical Proposal.

II) The Bidder must score at least sixty five (65) marks according to the following criteria :

Grading	**Marks**
Years of management of educational institute(s): 10 years or more (10 Marks) 8 years or more and less than 10 years (8 Marks) 6 years or more and less than 8 years (6 Marks) 4 years or more and less than 6 years (4 Marks) 2 years or more and less than 4 years (2 Marks) Less than 2 years (0 Marks)	10
Number of institutes being managed by the Bidder in the education sector: Above 40 (10 Marks) 31 to 40 (8 Marks) 21 to 30 (6 Marks) 21 to 30 (4 Marks) 1 to 20 (2 Marks) Below 1 (0 Marks)	10

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Proposed methodology and work plan: Description of the strategy to improve governance, head teachers training and quality of education in the target institute (4 marks). Optimal up-gradation/maintenance of structure & facilities and provision of a conducive learning environment (4 marks). Actionable plan for improving individual student learning needs and providing differentiated student-centered learning environment (4 marks). Detailed summary of execution strategy to address management issues including maintenance of records (teachers' service/profession records, students personal and learning record, infrastructure/asset record, resource utilization record, staff leave record, etc.) school discipline, etc. (4 marks). Student assessment strategy i.e. school based or using the Specific Learning Outcomes (SLOs) (4 marks).	40

Teachers hiring/management plan, strategy for Teachers' Continuous Professional Development (CPD) and evaluation of teachers performance (4 marks). Explanation of methodology to engage School Management Committee, parents and communities in school development (3 marks). An effective teacher and student attendance management system (3 marks). Provision of modern digital labs (science labs and computer labs) equipped with IT facilities and imparting IT skills (4 marks). Plan for co-curricular activities (3 marks). A detailed work plan for the first five academic years (Gantt chart supported with narrative) (3 marks).	
Average Annual Turnover of last three years: PKR 40 million or more (20 Marks) PKR 35 million or more but less than PKR 40 million (15 Marks) PKR 30 million or more but less than PKR 35 million {10 Marks) Less than PKR 30 million (0 Marks) This should be supported by audited accounts or wealth statement for the past three years.	20

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Financial Net Worth: PKR 75 million or more (20 Marks) PKR 65 million or more but less than PKR 70 million (15 Marks) PKR 60 million or more but less than PKR 65 million {10 Marks) Less than PKR 60 million (0 Marks) This should be supported by the latest audited accounts or wealth statement.	20
Total	**100**

Documentary evidence in support of the abovementioned criteria should be provided in the Technical Proposal in order to properly evaluate the same.

As mentioned hereinabove, in order to qualify, a minimum score of **65 marks** is required.

The Financial Proposals of those Bidders whose Technical Proposal have been passed (i.e. those who have meet all the criteria stated in Part I) hereinabove and have achieved a minimum score of 65 marks in Part II) hereinabove shall have their Financial Proposals opened.

The Financial Proposals of those Bidders whose Technical Proposal has not been passed shall be returned unopened.

12.2 Evaluation of Financial Proposal

The BOEC shall conduct an evaluation of those Financial Bids, which have been technically qualified. Bidders shall propose gross revenue share per annum in percentage against the Benchmark, i.e. more than 10% of the Project School, which is to be paid to PR during the Project from the specific Project School that it is bidding for.

Sr.No.	Financial Evaluation Criteria	Marks (%)
1.	Highest Gross Revenue Share Quoted to PR (The Bidder who quotes highest value of Gross Revenue Share to PR (Bid Variable) supported by a realistic financial Model Comprising revenue projections indicating revenue share of Pakistan Railways per annum, throughout the concession period, shall be declared as successful/ highest bidder.)	100%
Total		100%

The Bid Bond price for each Project School is mentioned alongside the name of each Project School in **Section E** of this RFP. Any bid without Bid Bond shall be disqualified.

The contract for a particular Project School shall be awarded to the Bidder that would offer the highest Gross Revenue Share for a Project School.

The hard copy as well as the soft copy of the Financial Model in Excel spreadsheet form must be enclosed with the financial bid for evaluation of the and selection of the most beneficial financial offer.

All applicable and prevailing duties and taxes from time to time in consequence of its obligations under the Concession Agreement, including income tax (including corporate), customs and excise duties, advertisement tax, VAT, any cess, levy, duty, tax or charge etc. shall be directly borne by

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the Concessionaire and would not have any impact on the Gross Revenue Share to be paid to PR.

In the event that the highest bidder, for a particular Project School, withdraws its Bid, for whatever reason, then the second highest bidder for that particular Project School shall be considered solely on the discretion of PR.

In the event that the same Revenue Share is offered by more than one Bidder (the "Tie Break Bidders"), then the PR shall invite all of the Tie Break Bidders to re-submit the Financial Bid with their best and final offer and the PR shall select and appoint the Tie Break Bidder which offers highest Revenue Share.

In the event of again tie between Bidders, PR shall select Bidder which has obtained highest Technical score.

13. Award of Contracts

PR shall announce the result of the Bidding Process and issue a Letter of Award **("LOA"),** along with notice for execution of the Concession Agreements within the timelines stipulated in the RFP, to the selected Bidders within ten (10} days of the Bid evaluation or where applicable, approval of the PPP Authority, as the case may be. The selected Successful Bidders must be the Best Evaluated Bidders in respect of each Project School.

The successful Bidder will be required within thirty (30) days of issuance of the LOA to sign and execute the Concession Agreement(s).

14. Grievance Redressal Committee

A committee has been established for the purposes of redressing grievances of Bidders **("Grievance Redressal Committee").** This Grievance Committee shall comprise of the following personnel:

Director General/ Property & Land, Director General/ Legal Affairs and COPS/Safety

The Grievance Committee has been constituted with proper powers and authorizations, to address the complaints of Bidders that may occur prior to the entry into force of the award of Concession Agreements.

15. Termination of Bidding Process

PR reserves the right to terminate the Bidding Process in respect of any or all Project Sites at any time till such time that the relevant Concession Agreement is signed. PR may, upon request of any of the Bidders, communicate to such Bidder, grounds for the cancellation of the Bidding Process, but is not required to justify such grounds.

In the event PR terminates the Bidding Process, the PR reserves the right to proceed with all or any part of the Project, including the use of some or all of a Bidder's ideas and concepts, based on the approach that the PR considers to be most suitable, which does not exclude the involvement of one or more of the Bidder's advisers.

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Section C: Bid Forms

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Form 1: Covering Letter

No:
Date:

[Insert designated official details]

The undersigned,

Name:
Title/Position:_____
Company: _____

School Name: ----------

Acting as the legal representative of [Bidder], _____, [collectively] known as the **"Bidder"** and who is/are interested in the Rehabilitation and Operation of Pakistan Railways Schools (the **"Project")** on Rehabilitate-Upgrade-Operate-Transfer (RUOT) mode and Public Private Partnership basis, we submit the attached documents forming our bid proposal **("Bid")** for Project School: XXXX and I/we hereby certify, represent, warrant and agree, on behalf of the Bidder(s) that:

1. This Bid letter, along with all its attachments hereto, forms our Bid and has been submitted pursuant to the Request for Proposal **("RFP")** and its attached volumes as issued by the Pakistan Railways **("PR")** for the Project including the draft concession agreement for the Project **("Concession Agreement").**
2. Having examined in detail and being fully familiar with all the provisions of the RFP including the draft of the Concession Agreement, we hereby acknowledge the receipt of the same.
3. Based on the document received by us, we have conducted our own studies to evaluate the nature and scope of the contractual obligations under the Concession Agreement, the structure of the Project proposed in the Concession Agreement, and the Concession Agreement itself and any other regulation associated to the Project or its execution. We therefore stand fully aware of the magnitude and novelty of this Project and hereby offer to undertake the Project in compliance with all requirements of the RFP and draft Concession Agreement.
4. We hereby agree that our Bid constitutes a firm and irrevocable offer that is binding upon us and that it will remain valid until one hundred and eighty (180) days from the Bid Submission Date.
5. We have provided and attached hereto a Bid Bond issued by [name of issuing bank] in the amount of PKR XXXX in accordance with the RFP.
6. We certify that (i) the information submitted as part of our Bid is complete and accurate and (ii) we accept the documents, terms and conditions of the RFP and draft Concession Agreement and are bound to develop this Project in accordance with the RFP and draft Concession Agreement.
7. We understand the evaluation criteria and the process for selection of the Successful Bidder that has been provided in the RFP and acknowledge that the PR is under no obligation to accept our Bid and may at any time reject our Bid at its sole discretion.
8. We commit ourselves, if required, to extend the validity of our Bid until the issuance of the Letter of Award to the Successful Bidder, subject to mutual agreement.
9. We commit ourselves to furnish the Performance Guarantee (as defined in the Concession Agreement) and to finalize and sign the Concession Agreement in good faith, if we are advised to do so by the PR.
10. We further commit ourselves to provide any additional information, clarification and data in respect of the Bid, if required by PR.

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At (Insert Location), on this (Insert date)

The undersigned is duly authorized to execute the Bid for and on behalf of the Bidder

Authorized signature and seal

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Form 2: Format of Bid Bond

[To be stamped in accordance with the Stamp Act, 1899]
IRREVOCABLE AND UNCONDITIONAL BID BOND GUARANTEE
BANK GUARANTEES No: DATE:

[Insert designation]

Dear Sir,

Ref: Bid for Rehabilitation, Up-gradation and Operation of Pakistan Railways Closed/Non-Operational School

WHEREAS [name and legal status of the Bidder] (hereinafter referred to as the **"Bidder")** has submitted his/its Bid dated _____(hereinafter referred to as the **"Bid")** for granting of a Concession for Project School: XXXX in the project titled "Rehabilitation, Up-gradation and Operation of Pakistan Railways Schools", a requirement of which is that the Bidder must submit a Bid Bond of the amount of PKR XXXX.

AND WHEREAS to satisfy the afore stated requirement, this Deed of Bid Bond Guarantee(hereinafter referred to as the **"Guarantee")** is made on this day of_____by [name of the bank] a banking company lawfully undertaking business in the Islamic Republic of Pakistan, having its registered office at (hereinafter referred to as the **"Bank"** which expression shall, wherever the context so admits, include its executors, administrators and successors-in interest) in favor of the Pakistan Railways, a body established by the Federal Government of Pakistan (hereinafter referred to as **"PR").**

NOW THEREFORE in consideration of the PR accepting the Bank's obligations contained in the following paragraphs for the due discharge of the Bidder's obligation to provide a Bid Bond, THE BANK, by THIS GUARANTEE AGREES TO THE FOLLOWING:

1. The Bank hereby undertakes and guarantees that it shall, on the first written demand of PR, without any caveat, demur, protest or contest and without reference or recourse to the Bidder or any other person, organization or authority, pay PR within three (3) working days, in clear funds, without any deduction or withholding on any account whatsoever, a sum of PKR XXXX.
2. The obligation of the Bank to PR to pay the sum specified in paragraph 1 above within the time and in the manner specified therein shall be that of principal without PR proceeding against the Bidder and notwithstanding any security or other guarantee PR may have in relation to the Bidder's liabilities.
3. Any demand specified in paragraph 1 above, made by PR on the Bank, will be conclusive and binding between PR and the Bank notwithstanding any dispute or difference between PR and the Bidder or any dispute pending before any court, tribunal, arbitrator or any other judicial, quasi-judicial or other authority. The Bank hereby affirms that it shall pay PR the amount specified in paragraph 1above within the time and in the manner specified therein, without PR needing to prove or show grounds or reasons for PR's demand.
4. Any payments made to PR shall be net and free of and without any present or future deductions such as for the payment of any taxes, executions, duties, expenses, fees, deductions or retentions regardless of the nature thereof or the authority levying the same.
5. The Bank hereby waives, to the fullest extent possible by law, any defense whether in law or equity, that may be raised to prevent or delay the PR from making a demand specified in paragraph 1above or being paid the sum specified therein.
6. PR shall be at liberty, without affecting the Bank's obligations to PR contained in this Guarantee, to postpone for any time or from time to time, the enforcement of any rights accruing to PR against the Bank or the Bidder and to enforce the same at any time and in any manner and to enforce or forbear to enforce any remedies available to PR against the Bank or the Bidder. The Bank accepts that it shall not be released of its obligations to PR contained in

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this Guarantee by any exercise by PR of its liberty in relation to the aforesaid matters or any of them or by time or other indulgence including the granting of any waiver to either the Bank or the Bidder or by any variation in this Guarantee or by any other act or omission whatsoever which, under law or equity, but for this provision would have the effect of releasing the Bank of its obligations under this Guarantee notwithstanding that any such postponement, forbearance, extension of time or other indulgence, waiver, variation or any other thing was granted, made, given or happened without the consent or knowledge of the Bank.

7. The Bank hereby undertakes not to revoke this Guarantee during its currency without the prior written approval of PR and agrees that the obligations of the Bank under this Guarantee are continuous obligations and shall remain in full force and effect and be enforceable against the Bank notwithstanding any change in the constitution, legal status or organization of the Bank, the Bidder or PR until all dues of PR under or by virtue of this Guarantee have been paid by the Bank in full or until PR discharges this Guarantee in writing.

8. The Bank hereby affirms that it has the power and authority under its Memorandum and Articles of Association and all necessary consents and authorizations, including without limitation, those required from its board of directors, regulator or other relevant governmental body, to enter into, execute, deliver and perform the Bank's obligations under this Guarantee in favour of PR and that the signatory(ies} hereto has/have the capacity, authority and power to sign and bind the Bank to the Bank's obligations contained herein under [Power of Attorney/Board Resolution] dated

9. The Bank hereby confirms that notwithstanding any dispute which may arise with regard to this Guarantee or otherwise upon receiving the demand in writing as specified herein it shall pay the demanded amount without any objection.

10. Notwithstanding anything contained in paragraphs 1to 7 above, the Bank's liability to PR under this Guarantee is restricted to and shall remain in force up to and including _____ day of __ 20 _____and shall be extended for such period as may be desired by the Concessionaire.

11. The Bank's obligations as set out in this Guarantee shall be continuing obligations and shall not be modified or impaired upon the happening, from time to time, without the Bank's assent or otherwise, if any act or omission, or any circumstance or events which would otherwise discharge, impact or otherwise affect any of the Bank's obligations contained in this Guarantee.

12. No set off, counterclaim or reduction or diminution of any obligation that the Bank has or may have against the PR shall be available to it against the PR in connection with any of its obligations to the PR under this Guarantee.

13. The Bank hereby declares and confirms that under its constitution and applicable laws and regulations, it has the necessary power and authority, and all necessary authorizations, approvals and consents there under to enter into, execute, deliver and perform the obligations it has undertaken under this Guarantee, which obligations are valid and legally binding on and enforceable against the Bank under the laws of Pakistan. Further that the signatories to this Guarantee are the Bank's duly authorized officers.

14. This Guarantee is limited to the sum of PKR XXXX and shall be valid up till

15. This Guarantee shall be governed by and construed in accordance with the laws of the Islamic Republic of Pakistan.

IN WITNESS WHEREOF the Bank, through duly and lawfully authorized representative(s), has executed this Guarantee on the date first written above in the presence of the witnesses mentioned below.

Signature of Authorized Signatory _____
Name and Title of Signatory: _____
Name of Firm: _____
Address: _____

WITNESSES:
1. Signature of witness 1 _____
2. Name of Title of witness _____

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3. Name of Firm: _____
4. Address: _____

1. Signature of witness 2 _____
2. Name of Title of witness _____
3. Name of Firm: _____
4. Address: _____

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Form 3: Format of Authorization of Representative

[On Stamp Paper in accordance with the Stamp Act, 1899]

POWER OF ATIORNEY

KNOW ALL MEN BY THESE PRESENTS, we *[Insert name and address of the registered office]* (the **"Company")** do hereby constitute, appoint, ordain and authorize Mr./ Ms. *[Insert name and residential address]* (the **"Attorney"),** severally as our true and lawful attorneys to undertake all necessary actions in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our Bid for the Rehabilitation and Operation of Pakistan Railways Schools on Rehabilitate-Upgrade-Operate-Transfer **(RUOT)** under Public Private Partnership (the **"Project"),** including signing and submission of all documents and providing information / responses to the Pakistan Railways **(PR),** representing us in all matters before PR, and generally dealing with PR in all matters in connection with our Bid for the said Project.

AND GENERALLY to do and perform all acts and things as may be deemed necessary or expedient for the said purpose.

AND we hereby undertake to ratify and confirm all acts, deeds and things lawfully done or caused to be done by virtue of these present and the same be construed as acts and things done by us.

This Power of Attorney shall be valid and effective until and including

IN WITNESS WHEREOF, we have executed this Power of Attorney on this _____ day of _____, _____.

[Signatures of executants]

Signature of Authorized Signatory _____
Name and Title of Signatory: _____
Name of Firm: _____
Address: _____

Note: To be executed by all members in case of a consortium or JV. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.

Witness 1:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

Witness 2:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

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Form 4: Format of Affidavit

Date:

[Insert designated official details]

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

a. is not in bankruptcy or liquidation proceedings;

b. has not been convicted of, fraud, corruption, collusion or money laundering;

c. is not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect its capability to comply with the obligations under the Concession Agreement;

d. is not in default or non-performing any other contract with Pakistan Railways or any other entity during the last five years;

e. is not blacklisted by any government, semi-government or non-governmental institution; and

f. there is no ongoing litigation that involves more than 50% of the net worth of the Bidder.

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: _____

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Form 5: Format of Integrity Pact

[Executed on Stamp Paper in accordance with the Stamp *Act,* 1899)

[Insert Name of the Concessionaire) (the **"Concessionaire")** hereby declares its intention not to obtain or induce the procurement of any contract, right, interest, privilege or other obligation or benefit through any corrupt business practice from the Government of Pakistan, any provincial government, any local government, any administrative subdivision or agency of any of the foregoing or any other entity owned or controlled by any of the foregoing.

Without limiting the generality of the foregoing, the Concessionaire represents, warrants and covenants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone or any authority and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including the Concessionaire's affiliates, agents, associates, brokers, consultants, directors, promoters, shareholders, sponsors or subsidiaries, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from any Government Agency, except that which has been expressly declared pursuant by the Concessionaire beforehand.

The Concessionaire certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to any transaction with any Government Agency and has not taken any action or will not take any action to circumvent the above declaration, representation, or warranty or covenant.

The Concessionaire accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation, warranty and covenant. The Concessionaire agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to any Government Agency under any law, contract or other instrument, be voidable at the option of the relevant Government Agency and/or the Government of Pakistan and/or the Pakistan Railways.

Notwithstanding any rights and remedies exercised by any Government Agency in this regard, the Concessionaire agrees to indemnify the relevant Government Agency, the Government of Pakistan and/or the Pakistan Railways for any loss or damage incurred by it on account of the Concessionaire's corrupt business practices and further to pay compensation to the relevant Government Agency, the Government of Pakistan and/or the Pakistan Railways in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Concessionaire as aforesaid for the purpose of obtaining or the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from any Government Agency.

For and on behalf of the Bidder(s):

Signature of Authorized Signatory
Name and Title of Signatory:_____
Name of Firm:_____
Address: _____

Witness 1:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

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Witness 2:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

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Form 6: Format of Authorization of Lead Member

[To be stamped in accordance with the Stamp Act, 1899]

POWER OF ATIORNEY

WHEREAS, Pakistan Railways (PR) has invited proposals from interested parties for the Rehabilitation and Operation of Pakistan Railways Schools **("the Project").**

WHEREAS, the members of the [consortium/JV] named _____are interested in Bidding for the Project and implementing the Project in accordance with the terms and conditions of in accordance with the Request for Proposal **(RFP)** and the accompanying draft Concession Agreement issued by the PR with regards to the Project **("Concession Agreement")** and other attached volumes in respect of the Project.

AND WHEREAS, it is necessary under the RFP for the members of the [consortium/JV] to designate one of them as the lead member with all necessary power and authority to do for and on behalf of the [consortium/JV], all acts, deeds and things as may be necessary in connection with the [consortium/JV's] Bid for the Project

NOW THIS POWER OF ATIORNEY WITNESSETH THAT we, M/s_____M/s _____and M/s _____(the respective names and addresses of the registered office) do hereby designate M/s _____being one of the members of the [consortium/JV], as the Lead Member of the [consortium/JV], to do on behalf of the [consortium/JV], all or any of the acts, deeds or things necessary or incidental to the [consortium/JV's] Bid for the Project, including submission of application */* proposal, participating in conferences, responding to queries, submission of information */* documents and generally to represent the [consortium/JV] in all its dealings with PR, any other Government entity or any person, in connection with the Project until culmination of the process of Bidding and thereafter till the execution of relevant Project/Concession documents with PR as mandated by the RFP. We hereby agree to ratify all acts, deeds and things lawfully done by the Lead Member pursuant to this Power of Attorney and that all acts deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by the [consortium/JV].

Dated this the_____Day of _____20 ___

(To be executed by all the members of the consortium or JV, using the terminology that is applicable to the arrangement)

Witness 1:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

Witness 2:
Signature _____
Name_____
Address: _____
CNIC / Passport No._____

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

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Form 7: Format of Technical Proposal

Date:_____

[Designated official details]

Subject: Rehabilitation, Up-gradation and Operation of Pakistan Railways (closed/non-operational) Schools on Rehabilitate-Upgrade- Operate and Transfer (RUOT)

School / College Name: ----------

Dear Sir,

We, [insert name of Bidder] hereby submit our Technical Proposal in response to your Request for Proposal (RFP) dated [-] issued for Project Site: XXXX of the above-cited project (the **"Project").** We hereby unconditionally offer to undertake and complete the Project through performance of all works and services in accordance with the draft Concession Agreement **("Concession Agreement").**

We understand and accept that PR may require us, under the applicable laws, to clarify or modify our Technical Proposal in conformity with its requirements leading to finalization of terms of services.

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

We undertake to initiate work on the Project, in the event of acceptance of our proposal, in accordance with the Concession Agreement to be signed between the parties.

Yours sincerely

Signature of Authorized Signatory _____
Name and Title of Signatory: _____
Name of Firm: _____
Address: _____

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INFORMATION TO BE ENCLOSED IN TECHNICALPROPOSAL

The Bidder (or each member in the case of a consortium or JV) shall provide a comprehensive explanation of its relevant experience and capability to undertake the Project. For each relevant experience cited, outline the precise role of the Bidder, Project duration, outcomes, and its value.

The Bidder (or each member in the case of a consortium or JV) is required to provide at a minimum, the following information in addition to any other information which has been required in this RFP:

1. General information

a. Name of the bidder/ organization;

b. Country of incorporation (or domicile in case the Bidder is an individual);

c. Date of establishment/incorporation (attach legal entity establishment evidence e.g. Certificate of Incorporation and commencement of Business Certificate etc.) (in case Bidder is a non-natural legal entity);

d. Address of the corporate headquarters and its branch office(s), if any, in Pakistan; and
e. In case of a joint bid/consortium, a copy of the agreement binding all the joint bidders together and providing details of *inter alia* the respective responsibilities and financial share of each member should be provided as part of this Technical Proposal.

2. Support Information

a. Using format below, Bidders shall provide information about the overall experience of the Bidder in enterprise management either in Pakistan or abroad. Bidder should specify the number of years of experience successfully doing business duly supported with appropriate evidence, in addition, brief description of the business should also be provided.

   In case Bidder is claiming experience in education and education management, Bidders should provide the relevant details of the type of activities undertaking by it, which should be duly supported with the evidence. Name, designation, cell phone and landline number, email and fax numbers of the primary and secondary individuals, who will serve as the point of contact/ communication with PR.

b. Information on any litigation in which the Bidder have been involved in during the previous five years or still in progress;

c. Affidavit declaring that the Bidder or any of its consortium/JV Members (in case of JV) is not blacklisted (Separate Affidavits are required from each consortium/JV Members);

d. Latest audited financial reports of the preceding three {3) years; if applicable

e. National Tax Number (duly supported by NTN Certificate) or any equivalent thereof, if it exists, for foreign entities that prove that the Bidding entity is a registered taxpayer in the jurisdiction in which it is based;

f. Bank Statement of the Bidder for preceding three (3) years;

g. Shareholding structure of its proposed SPC where there are more than one shareholders;

h. Bidders should provide details regarding its average net worth and supporting documents, which include financial statements, tax returns, and bank statements. In case

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the Bidder is a foreign based entity, then it should provide the equivalent version of the aforementioned documents, if they exist, from the jurisdiction in which it is based.

i. Bidder should provide proposed methodology and work plan as described in the RFP.

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Form 8: Format of Experience

Name of the Bidder	
Business details of the Bidder	
Number of Years of relevant Experience in the educational sector	
Business Location (City+ Country)	
Address	
Name & designations of the senior staff	
Name of the client's contact persons, email, phone and fax number [it is implied that PR has authority of reference check)	

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these bio-data correctly describe myself, my qualifications and my experience.

_____ Date: _____

Signature of Staff Member or Authorized official from the Firm

Day/Month/Year

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Form 9: Format of Financial Proposal

Date:_____

[Insert designated official details]

Subject: Financial Proposal – Rehabilitation, Up-gradation and Operation of Pakistan Railways (Closed/Non-operational) Schools on Rehabilitate-Upgrade-Operate and Transfer mode (RUOT)

School Name: ----------

Dear Sir,

We, [insert name of Bidder] hereby submit our Financial Proposal for Project School: XXXX in response to your Request for Proposal for which the Benchmark is set as **more than 10% share** of the Gross Revenue per annum with One Time Non Refundable Commitment Fee (XXXXX to be taken From Section E of RFP).

Based on the terms and conditions of this RFP and attached sections, we hereby quote _____ % (percent) share of the Gross Revenue per annum for the Project School to be paid to PR over the concession period.

We hereby undertake to pay to PR, throughout the Concession Period, the minimum annual revenue share as specified in the attached Financial Model of the Project, in accordance with the quoted percentage (Bid Variable).

We again affirm that:

(i) the information submitted as part of our Bid is complete and accurate; and
(ii) We accept the documents, terms and conditions of the RFP and Draft Concession Agreement and are bound to undertake this Project in accordance with this R FP and Draft Concession Agreement.

Our Financial Proposal shall be binding upon us up to expiration of the validity period of the Bid, i.e. one hundred and eighty (180) days from the Bid Submission Date.

Signature of Authorized Signatory _____
Name and Title of Signatory: _____
Name of Firm: _____
Address: _____

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Form 10: Comments/Suggestions of the Firm

{Present and justify here any modifications or improvement to the Request for Proposal and/or on services or facilities to be provided by the Client, you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities).}
On the Request for Proposal (RFP)

1.
2.
3.
4.
5.
6.
Etc.

On the data, services and facilities to be provided by PR indicated in the RFP:-

1.
2.
3.
4.
5.
Etc.

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Section D: Draft
Concession Agreement

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Section E: List of Project Sites

List of Project Closed Schools being offered alongside bid security and one time commitment fee amount is as follows:

CATEGORY A

S.No	Institute Name	Location	Area (Kanals)	Open area	Covered Area	Bid security amount (PKR)	One Time Commitment Fee (Rs. In Million)
1	P.R. Boys High School, Risalpur	Risalpur	42	37.25	4.75	3,000,000	5

CATEGORY B

S.No	Institute Name	Location	Area (Kanals)	Open area	Covered Area	Bid security amount (PKR)	One Time Commitment Fee (Rs. In Million)
1	P.R. Secondary School, Kotri	Karachi	3.08	0.18	2.89	2,000,000	0.5
2	P.R. Secondary School, Pipri	Karachi	8.9	7.0	1.9	2,000,000	0.5
3	P.R. Primary School, Faisalabad	Lahore	13	11.54	1.47	3,000,000	3

CATEGORY C

S.No	Institute Name	Location	Area (Kanals)	Open area	Covered Area	Bid security amount (PKR)	One Time Commitment Fee (Rs. In Million)
1	P.R Closed/Non-Operational Industrial School, Quetta	Quetta	2.69	--	--	9,000,000	2
2	P.R Girls Primary School Mayo Garden, Lahore	Lahore	3.65	2.28	1.37	9,000,000	2
3	P.R Zubaida Industrial School, Lahore	Lahore	4.91			9,000,000	3

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Note:
1. Areas of various schools shown above are tentative and are for the guidance of the prospective Bidders. Actual area of school may vary.

2. The one time non-refundable commitment fee shall be payable within 15 days after the issuance of letter of acceptance.

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DRAFT CONCESSION AGREEMENT

BETWEEN

PAKISTAN RAILWAYS (PR)

As the Concessioning Authority AND

[●]

As the Concessionaire

[INSERT DATE]

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AGREEMENT

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This **CONCESSION AGREEMENT** (the "**Agreement**") is entered into on this [●] day of [●], [●] at Lahore, Punjab, Pakistan,

BY AND BETWEEN:

1. President of Pakistan through **PAKISTAN RAILWAYS**, a statutory administrative body established by virtue of Railways Act, 1890, through its [●] and having its principal office at [●] (hereinafter referred to as the "**Concessioning Authority"** which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) of First Part; and

2. [●], a company incorporated under the laws of Pakistan (Company Incorporation Number: [●]), having its registered office at [●] (hereinafter referred to as the "**Concessionaire**", which expression shall, unless the context otherwise requires, include its successors-in-interest and permitted assigns) of Second Part.

WHEREAS:

A. The need to rehabilitate, up-grade and improve the quality of the educational institutions owned and operated by the Concessioning Authority has led the same to explore the possibility of harnessing private sector investment and managerial skills in this sector.

B. The Concessioning Authority has been set up by the Federal Government of Pakistan as a Railway operator pursuant to the provisions of the Pakistan Railways Act 1890.

C. Consequent thereto, the Concessioning Authority is envisaging the rehabilitation, up-gradation and operation of the school(s) owned by it (the "**Project**") at the location specified and mapped in **Schedule 1** of this Agreement ("**Project School**"), for a period of thirty (30) years (including mobilization period) on Public Private Partnership (PPP) mode.

D. With an objective to develop the Project on Rehabilitate, Up-grade, Operate and Transfer (RUOT) basis and in accordance with the Pakistan Public Private Partnership Act, 2017 (as amended), the Concessioning Authority had invited competitive proposals from interested private parties to rehabilitate, up-grade, finance, operate, maintain and manage the Project and at the end of the Concession Period (as hereinafter defined) transfer the Project to the Concessioning Authority on the terms and conditions contained in the Request for Proposals, dated [●] ("**RFP**") issued by the Concessioning Authority.

E. In response to the RFP, the Concessioning Authority received proposals from various bidders and the Concessioning Authority after having evaluated the technical and financial proposals submitted by all bidders accepted the proposal submitted by the Successful Bidder [consisting of M/s [●],[●] and [●] (collectively the "**Consortium**") with [●] as its Lead Member (as hereinafter defined) / [●] (*as a single/individual bidder*)] and a Notice of Award, bearing no. [●], dated [●] was issued to the Successful Bidder.

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The Successful Bidder has incorporated the Concessionaire in accordance with the laws of Pakistan, as a special purpose vehicle [applicable in case successful Bidder(s) being a natural person(s)] for the purposes of the Project.

F. The Concessioning Authority is granting concession to the Concessionaire in accordance with this Agreement to rehabilitate, up-grade, finance, operate, maintain and manage the Project and at the end of Concession Period transfer the Project to the Concessioning Authority in accordance with the terms of this Agreement and for the said purpose, the GoP has agreed to grant a licence of the Project School to the Concessionaire, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits to be derived and the representations and warranties, conditions and undertakings herein contained, and intending to be legally bound hereby, the Parties hereby agree as follows

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1. DEFINITIONS & INTERPRETATIONS

1.1. Definitions

In the Agreement, except to the extent that the subject or context otherwise requires, the following expressions shall have the following meanings:

"**Additional Cost**" means the additional capital expenditure, the additional operating costs and/or additional taxes, as the case may be, which the Concessionaire has or will be required to incur, as described in Article 8.3.

"Affected Party" shall have the meaning described to it in Article 9.1.

"Agreement" means this Agreement dated as of the date first written above together with Recitals and all Schedules attached hereto, by and between the Concessioning Authority and the Concessionaire, as may be amended by the Parties from time to time.

"Applicable Laws" means any statute, law, regulation, development control regulations, ordinance, notification, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, or other governmental restriction in Pakistan or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any Government Agency or instrumentality thereof having jurisdiction over the matter in question, as may be in force and effect during the subsistence of this Agreement.

"Applicable Permits" means all clearances, permits, authorizations, permissions, consents, exemptions, licenses, no-objection certificates and approvals required to be obtained or maintained under or pursuant to Applicable Laws, in connection with implementation of the Project during the subsistence of this Agreement.

"Appointed Date" means the date of this Agreement.

"Certificate of Compliance" shall have the meaning ascribed to it in Article 3.3. (b).

"Change in Law" shall mean:

(a) The adoption, promulgation, repeal, modification or reinterpretation after the date of this Agreement by any Government Agency of any Applicable Laws of Pakistan (including a final, binding and non-appealable decision of any Government Agency);

(b) the imposition by a Government Agency of any material term or condition in connection with the issuance, renewal, extension, replacement or

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Modification of any Applicable Permit after the date of this Agreement;

(c) the imposition by a Government Agency of any additional Applicable Permit; or

(d) the imposition of an increased rate of taxes, duties, fees, cess or charge imposed by any Government Agency under the Applicable Laws of Pakistan,

that in the case of each of section (a), (b), (c), or (d) above establishes either a material increase in the Total Project Cost or a material decrease in revenue, as a requirement for the rehabilitation, operation or maintenance of the Project/Project School that is materially more restrictive than requirements: (i) under the Applicable Laws of Pakistan as in effect as of the date of this Agreement; (ii) specified in any applications, or other documents filed in connection with such applications, for any Applicable Permits filed by the Concessionaire on or before the issuance of Notice to Commence.

"Change in Ownership" shall mean direct or indirect transfer of more than fifty percent (50%) of Ordinary Share Capital, or legal or beneficial ownership, or securities convertible into shares of the Concessionaire, during the Concession Period.

"Compliance Date" means the date following a forty-five (45) day period after the Appointed Date or such other date as agreed between the Concessioning Authority and the Concessionaire by which time the Parties shall fulfil the Conditions Precedent (under Article 3), evidenced by the issuance of the **"Certificate of Compliance"** by each of the respective Parties / their authorized representatives.

"Concession" shall have the meaning ascribed to it in Article 2.

"Concession Period" or **"Term"** of the Agreement shall have the meaning ascribed to it in Article 2.3.

"Concessionaire" shall have the meaning ascribed to it in the Preamble of this Agreement.

"Concessionaire Event of Default" shall have the meaning ascribed to it in Article 10.1.1.

"Concessionaire's Proposal to Rectify" shall have the meaning ascribed to it in Article 10.2.1. (b).

"Concessioning Authority" shall have the meaning ascribed to it in the Preamble of this Agreement.

"Concessioning Authority Event of Default" shall have the meaning ascribed to it in Article 10.1.2.

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"Concessioning Authority Proposal to Rectify" shall have the meaning ascribed to it in Article 10.2.2. (b).

"Conditions Precedent" shall have the meaning ascribed to it in Article 3.

"Consortium" means the consortium consisting of (i) [●], (ii) [●], and (iii) [●] formed, to implement the Project.

"Consultant" means any consultant(s) or monitoring team(s) appointed by the Concessioning Authority as provided under Article 8.1., for monitoring, evaluation or review of the Project. A monitoring team appointed by the Concessioning Authority may appoint an independent consultant in accordance with Article 8.1. Both the Internal Consultant and the Independent Consultant shall be collectively called the Consultant(s) under the terms of this Agreement.

"Cure Period" shall have the meaning ascribed to it in Article 10.2.1. (c).

"Dispute" shall have the meaning ascribed to it in Article 12.

"**Emergency**" means an event, series of events or circumstances which: (a) pose an immediate threat to life, health, property, or environment; or (b) has already caused loss of life, health detriments, property damage, or environmental damage; or (c) has a high probability of escalating to cause immediate danger to life, health, property, or environment, but does not result in a Material Adverse Effect or constitute a Force Majeure.

"Encumbrance" means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations and shall include without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, physical encumbrances and encroachments on the Project School.

"Financial Assistance" means the aggregate amount provided to the Concessionaire by way of loan, finance, advances, guarantees, refinancing or otherwise and other debt instruments by the Lenders for the financing of part of the Total Project Cost up to such extent as may be prescribed by the State Bank of Pakistan.

"Financing Documents" means the loan agreements or any amendments to the same, for which the term sheets related thereto have not been objected to by the Concessioning Authority pursuant to Article 7.3., executed by the Successful Bidder or the Concessionaire and the Lenders in respect of the Financial Assistance to be provided by the Lenders to the Concessionaire by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments including loan agreements, guarantees, notes, debenture bonds and other debt instruments, security agreements

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and other documents relating to the financing (including refinancing) of the Total Project Cost as such agreements, instruments, guarantees and documents may be amended from time to time in accordance with the provisions of Article 7.3.

"Force Majeure" or **"Force Majeure Event"** shall have the meaning ascribed to it in Article 9.

"Force Majeure Notice" shall have the meaning ascribed to it in Article 9.

"Good Industry Practice" means the exercise of that degree of skill, diligence, prudence and foresight in compliance with the undertakings and obligations under this Agreement which would reasonably and ordinarily be expected from a skilled and experienced Person engaged in the development, implementation, operation and maintenance or supervision or monitoring thereof or any of them of a Project of the type and size similar to that of the Project.

"**Government Agency**" shall mean (a) the Government of Pakistan, a Provincial Government, or any subdivision of either, the Concessioning Authority or any local governmental authority with jurisdiction over the Concessionaire, the Project, or any part thereof, (b) any department, authority, instrumentality, agency, or judicial body of the Government of Pakistan, a Provincial Government or any local governmental authority, (c) the courts and tribunals of Pakistan, or (d) any commission or independent regulatory agency having jurisdiction over the Concessionaire, the Project or any part thereof.

"Independent Consultant" shall have the meaning ascribed to it in Article 8.1.

"Internal Consultant" shall have the meaning ascribed to it in Article 8.1.

"KIBOR" means One (1) Year Karachi Inter Bank Offer Rate which is the Average rate, Ask Side, for the relevant tenor, as published on Reuters page KIBOR or as published by the Financial Markets Association of Pakistan in case the Reuters page is unavailable.

"**Lead Member**" means [●].[1]

"Gross Revenue Share" shall have the meaning ascribed to it in Article 6.1 of this Agreement;

"Lenders" means financial institutions, banks and multilateral lending agencies including their successors and assigns, who have agreed to guarantee or provide finance to the Concessionaire under any of the Financing Documents.

"Material Adverse Effect" means consequences of events outside the control of the Affected Party which (a) render any right vested in a Party by the terms of the

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Concession ineffective, or (b) significantly impairs or frustrates the ability of any Party to observe and perform in a timely manner its obligations under this Agreement, or (c) frustrates a material provision of this Agreement or any of the Project Agreements.

"Material Breach" means a breach by either Party of any of its obligations under the Agreement which has or is likely to have a Material Adverse Effect on the Project and which such Party shall have failed to cure within period prescribed under this Agreement.

"Notice to Commence" shall have the meaning ascribed to it in Article 3.3. (c).

"Pak Rupee(s)" or "PKR" shall mean the official currency of Pakistan.

"Parties" means the parties to the Agreement and "**Party**" shall mean either of them, as the context may admit or requires.

"Person" unless specifically provided otherwise, shall mean any individual, company, corporation, partnership, joint venture, trust or Government Agency or any other legal entity as the context may admit.

"Preliminary Notice to Remedy" shall have the meaning ascribed to it in Article 10.2.1. (b) and Article 10.2.2. (b).

"Project" means, subject to the provisions of this Agreement, the rehabilitation/upgradation, financing, operation and maintenance of the Project School in compliance of the standards prescribed herein, (as also detailed in Article 2.2 (*Scope of Concession*)), including (i) rehabilitation/upgradation of the existing infrastructure available at a Project School; (ii) undertaking such activities as provided in the scope of concession set forth in the Concession Agreement; (iii) financing the rehabilitation/upgradation cost; (iv) operating and maintaining the institutions of the Project School; (v) collection of fees from the students; (vi) provision of quality education; (vii) payment of Gross Revenue Share amounts to PR; and (viii) transfer of all rights in the Project School and under the Concession Agreement to the Concessioning Authority at the end of the Concession Period or on prior termination of this Agreement.

"Project Agreements" means, collectively, this Agreement, the Financing Documents, and any agreement with a Sub-Contractor, in each case as amended, supplemented or otherwise modified from time to time and any other agreements or contract that may be entered into by the Concessionaire with any person in connection with matters relating to, arising out of or incidental to the Project.

"Project Performance Security" means the performance security by way of an unconditional and irrevocable bank guarantee encashable on first written demand of

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the Concessioning Authority issued by a Scheduled bank regulated by State Bank of Pakistan or any 'AA' rated Insurance Company, acceptable to the Concessioning Authority, substantially in the form provided as Schedule 2 and as also ascribed to in Article 7.2.

"Project School" means the educational institution (closed schools) owned by the Concessioning Authority the details of which are provided in Section E to Request for Proposal (RFP), wherein the Project is to be developed, implemented, established, operated, maintained and managed by the Concessionaire in accordance with the provisions of the Agreement. The location and details of the area of the Project School is provided in Schedule 1 hereto.

"**RFP Bid Bond**" means the bid bond for an amount of PKR [•] (Pak Rupees [•] only) submitted by the Successful Bidder in response to the RFP issued by the Concessioning Authority.

"Sub-Contractor(s)" means a reputed Person with whom the Concessionaire has entered into or may enter into contracts / agreements for the purpose of development and implementation of the Project**.**

"Successful Bidder" means [●] / the bidder [or, if applicable, consortium consisting of [●], [●] and [●] (with [●] as its Lead Member)]] that is finally awarded the Concession and invited to enter into this Agreement.

"Termination" means termination of this Agreement, pursuant to Termination Notice or non- fulfilment of Conditions Precedent or otherwise in accordance with the provisions of the Agreement but shall not, unless the context otherwise requires, include expiry of the Agreement due to efflux of time in the normal course.

"Termination Date" means the date specified in the Termination Notice as the date on which Termination occurs.

"Termination Notice" means the notice of Termination of the Agreement by either Party to the other Party, in accordance with Article 10 of this Agreement.

"Termination Concession" means the amount waived by the Concessioning Authority to the Concessionaire upon Termination in accordance with Article 10 of this Agreement.

"Third Party" or "Third Parties" means any Person, real or legal or entity other than the Parties of the Agreement.

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"Total Project Cost" means the actual cost incurred on the Project as certified by the statutory auditor(s).

"Transfer Date" means the date immediately following the date of the expiry of the Concession Period of the Term under this Agreement or any earlier termination thereof in accordance with the provisions of this Agreement.

"**Variation**" means any change to the Project, which is approved as a variation by the Concessioning Authority and the Consultant(s) in accordance with Article 5.

"Vesting Certificate" shall have the meaning ascribed to it in Article 11.1 (f).

1.2. Interpretation

In the Agreement, unless the context otherwise requires:

(a) any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;

(b) references to Applicable Law shall include the laws, acts, ordinances, rules, regulations, notifications, guidelines or byelaws which have the force of law in Pakistan;

(c) the words importing singular shall include plural and vice versa;

(d) the headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of the Agreement;

(e) the words "include" and "including" are to be construed without limitation;

(f) any reference to day shall mean a reference to a calendar day;

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

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

(i) references to preamble, recitals, Articles, sub-articles or Schedules in the Agreement shall, except where the context otherwise requires, be deemed to be references to recitals, Articles, sub- articles and Schedules of or to this Agreement.

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1.3. Measurements and Arithmetic Conventions

All measurements and calculations shall be in metric system and calculations done to 2 decimal places, with the third digit of 5 or above being rounded up and below 5 being rounded down.

2. THE CONCESSION

2.1. Grant of Rights to Concessionaire

Subject to and in accordance with the provisions of this Agreement, the Applicable Laws, the Applicable Permits and Good Industry Practice, the Concessioning Authority hereby grants to the Concessionaire and the Concessionaire hereby accepts the exclusive right, license and authority to rehabilitate, up-grade, finance, operate, maintain and manage the Project at the Project School (the "**Concession**") for a period of thirty (30) years (including mobilization period) (or a shorter period in case of early termination by a Termination Notice in accordance with this Agreement), commencing from the date of issuance of Notice to Commence and ending on the Transfer Date (the "**Concession Period**"), which includes exercising and/or enjoying the rights, power, privileges and entitlements as set forth in this Agreement and implement the Project subject to and in accordance with the terms and conditions set forth herein. It is expressly understood and agreed by the Concessionaire that Concession is granted on the condition that in event of a dispute or breach of the Agreement, no claim or interest of the Concessionaire shall under any circumstances be entitled to specific performance or any injunctive, equitable or other prospective relief.

2.2. Scope of Concession

Subject to and in accordance with the provisions of this Agreement including specifications and standards, Applicable Laws, Applicable Permits, terms of clearances, Good Industry Practice, the Concession hereby granted shall oblige or entitle (as the case may be) the Concessionaire, during the Concession Period, at its own cost to:

a. rehabilitate, up-grade, finance, operate, maintain and manage the Project School (including management of education quality, hiring of teaching and other staff, training of staff (teaching or otherwise), student affairs and admissions and school fee policy) and transfer all its rights to the Project School to the Concessioning Authority on the expiry or the prior termination of the Concession Period;
b. upgrade the Project School, if it so chooses, into a college or university, educational evening academy and/or build additional infrastructure (including hostels);
c. refrain from and prohibit exploitation of the Project School for non-educational Purposes;
d. perform and fulfill all of the Concessionaire's obligations in accordance with this Agreement;

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e. Bear and pay all costs, expenses and charges in connection with or incidental to the performance of the obligations of the Concessionaire under this Agreement;
f. Subject to this Agreement and other relevant provisions under Applicable Laws, enter into agreements with such legal entities, as it may deem necessary and appropriate, for performing its obligations under this Agreement;
g. Create an Encumbrance, with respect to its rights and obligations under this Agreement excluding any right related to the Project School, in favor of Lenders, only during the Concession Period strictly in part or whole, and in accordance with the terms of this Agreement. Provided that the Concessionaire shall create an Encumbrance in strict compliance with the provisions of this Agreement. Provided further, the Concessionaire shall not sub-let or mortgage or create any other Encumbrance over the Project School or any part of the Project School for any purpose without prior written approval of the Concessioning Authority; and
h. Exercise such other rights and obligations as the Concessioning Authority may determine as being necessary or desirable for the purpose or incidental and necessary for implementing the Project.

2.3. "Concession Period" or "Term" of Agreement

(a) This Agreement shall be valid and binding on the Parties commencing from the Appointed Date. The term of the Concession shall initiate from the date of issuance of Notice to Commence under Article 3.3 (c) till a period of thirty (30) years (including Mobilization Period) has lapsed thereafter (the "**Concession Period**" or the "**Term**") and the Concessionaire hereby accepts the Concession and agrees to implement the Project subject to and in accordance with the terms and conditions of this Agreement. Provided that in the event of early termination, the period of the Agreement shall be limited to the period commencing from the Appointed Date and ending with the Termination Date.

(b) Upon expiry of the Concession Period, the license for Project School granted to the Concessionaire under Article 4 shall stand terminated and all rights of the Concessionaire to the Project School along with any school fee to be charged of students shall stand transferred to the Concessioning Authority.

2.4. Acceptance by Concessionaire

In consideration of the rights, privileges and benefits conferred upon by the Concessioning Authority pursuant to this Agreement and other good and valuable consideration expressed herein, the Concessionaire hereby accepts and agrees and undertakes to perform / discharge all of its obligations in accordance with the provisions hereof.

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3. CONDITIONS PRECEDENT

Save and except as may otherwise be expressly provided herein, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of all the conditions precedent (**"Conditions Precedent"**) as set out in Article 3.1 and Article 3.2 on or before the expiry of a period of forty-five (45) days from the Appointed Date.

3.1. Conditions Precedent for the Concessioning Authority

The Concessioning Authority shall:

1. have upon receipt of the Project Performance Security, returned the RFP Bid Bond to the Successful Bidder;

2. The Authority has handed over Vacant Possession of the Project Site to the Concessionaire.

3. The Authority has resolved, settled and satisfactorily concluded all controversies, disputes, claims, suits, objections or restraints whatsoever by the public or any Person, if any, over or in relation to the Project Site, if required, or in relation to the implementation of the Project by the Concessionaire or otherwise, which is not a permitted Encumbrance, to such extent that the same do not impinge on the Concessionaire's rights and obligations pursuant to the terms of this Agreement.

3.2. Conditions Precedent for the Concessionaire

The Concessionaire shall have complied with the following:

(a) Prepared a detailed plan for the Project and project cost estimates, complete school fee calculations, area statement, drawings and all other details required for carrying out the Project and achieving the Project in accordance with this Agreement and the Applicable Laws. This plan will be provided to the Concessioning Authority as and when is required by it;

(b) Provided the Concessioning Authority with copies (certified as true by the Director of the Concessionaire) of all resolutions adopted by the Board of Directors of the Concessionaire authorizing the execution, delivery and performance of this Agreement by the Concessionaire;

(c) Delivered to the Concessioning Authority, a legal opinion from the legal counsel of the Concessionaire with respect to the authority of the Concessionaire to enter into the Agreement and the enforceability of the

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Provisions thereof;

(d) Delivered the Concessioning Authority with copies of all insurance / takaful, social security payments and policies, if any available, obtained in accordance with Article 7.5.;

(e) Executed the Integrity Pact in the form provided in Schedule 3 (*Integrity Pact*);

(f) Provided the Project Performance Security in full to the Concessioning Authority in accordance with Article 7.2.;

(g) Provided the Concessioning Authority with copies (certified as true copies by Director of the Concessionaire) of the constitutional documents of the Concessionaire including the Memorandum and Articles of the Association of the Concessionaire as well as all forms filed with the Securities Exchange Commission of Pakistan; and

(h) Obtained all Government Agency clearances and permits under the Applicable Laws including in relation to educational, environmental, security and other related standards.

3.3. Obligations to Satisfy Conditions Precedent

(a) Each Party hereto shall use all reasonable endeavors at its cost and expense to procure the satisfaction in full of its respective Conditions Precedent set out above within forty-five (45) days of the Appointed Date.

(b) Upon satisfaction in full of all Conditions Precedent for a Party, the other Party shall forthwith issue to such Party a Certificate of Compliance with Conditions Precedent (the **"Certificate of Compliance**").

(c) The later of the date of issue of Certificate of Compliance to the Concessionaire or the Concessioning Authority shall be the "**Compliance Date**", whereupon the remaining obligations of the Parties under this Agreement shall commence and whereon the Concessioning Authority shall issue the **"Notice to Commence"** to the Concessionaire.

(d) Each Party shall bear its respective costs and expenses of satisfying such Conditions Precedents unless otherwise expressly provided.

3.4. Non-fulfilment of Conditions Precedent

(a) In the event that (i) any of the Conditions Precedents relating to the Concessionaire set forth in Article 3.2 have not been fulfilled within forty-five (45) days of the signing

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of the Agreement, (ii) the delay has not occurred as a result of breach of this Agreement by the Concessioning Authority or due to Force Majeure, and (iii) unless, the Concessioning Authority has not waived them fully or partially, the Agreement shall cease to have any effect as of that date and shall be deemed to have been terminated and no Party shall subsequently have any rights or obligations under the Agreement and the Concessioning Authority or Government of Pakistan shall not be liable in any manner whatsoever to the Concessionaire or persons claiming through or under it.

(b) In the event the Agreement has been terminated under Article 3.4(a) due to non-fulfilment of Conditions Precedent by the Concessionaire, the Concessioning Authority or Government of Pakistan shall not be liable in any manner whatsoever to the Concessionaire or its Sub-Contractors, agents and employees and the Concessioning Authority shall forfeit the Project Performance Security of the Concessionaire.

(c) Instead of terminating the Agreement as provided in Article 3.4 (a) the Concessioning Authority may extend the time for fulfilling the Conditions Precedent.

(d) In the event that (i) any of the Conditions Precedent relating to the Concessioning Authority set forth in Article 3.1 have not been fulfilled within forty-five (45) days of the signing of the Agreement, (ii) the delay has not occurred as a result of breach of this Agreement by the Concessionaire or due to Force Majeure, (iii) unless, the Concessionaire has not waived them fully or partially, the Concessionaire shall have the right to forthwith terminate this Agreement by written notice to the Concessioning Authority, and no Party shall subsequently have any rights or obligations under the Agreement.

(e) In the event the Agreement has been terminated under Article 3.4(d) due to non-fulfilment of Conditions Precedent by the Concessioning Authority, the Concessioning Authority shall not be liable in any manner whatsoever to the Concessionaire or its Sub-Contractors, agents and employees.

4. THE PROJECT SCHOOL

4.1. The School License for the Project

1. In consideration of Concessioning Authority receiving _____ percentage (%) of Gross Revenue Share under this Agreement the Concessioning Authority shall grant: the Concessionaire license to the Project School for undertaking obligations set out in this Agreement, and consequent thereto, hand over the possession of the Project School.
   Provided that, the license granted by the Concessioning Authority under this Article shall be deemed to be granted and operative, without further action or approval, only at the issuance of the Notice to Commence to the Concessionaire subject to satisfactory fulfilment of Conditions Precedent of the Concessionaire (Article 3.2).

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2. The term of the license granted under this Article shall be co-terminus with the Concession Period.
3. The Concessioning Authority represents that at the time of grant of license, there is no encumbrance, litigation, existing rights or claims on Project School.
4. It is expressly agreed that the license granted hereunder shall terminate automatically and forthwith, without the need for any action to be taken by the Government of Pakistan/Concessioning Authority to terminate the license, upon the Termination of this Agreement for any reason whatsoever.

5. Notwithstanding anything contained herein, the Concessionaire acknowledges that its only right to the Project School is a license to access the same for the purposes contemplated by this Agreement and the Concessionaire has no ownership or leasehold rights with respect to the Project School or any part thereof.

4.2. Right and Use of the Project School

Once operative, the license granted to the Concessionaire under Article 4.1 shall be subject to the following conditions:

(a) The Concessionaire shall have access to the Project School and to make at its own costs, charges and expenses, such investigations and development activities and any other activity as may be necessary or appropriate to implement the Project (as long as they are limited to educational purposes).

(b) The Concessionaire undertakes to the Concessioning Authority that it shall not mortgage, transfer, assign, license or sub-licence or otherwise create an Encumbrance on the Project School during the Concession Period, unless as permitted pursuant to this Agreement. During the Concession Period, the Concessionaire shall protect the Project School from any and all occupations, encroachments or Encumbrances, and shall not place or create nor permit any Contractor or other person claiming through or under the Concessionaire to place or create any Encumbrance or security interest over all or any part of the Project School, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement.

(c) The Concessionaire may undertake repair, rehabilitation/maintenance, up-gradation, operation and development of the Project School by itself or through a Sub-Contractor possessing the requisite technical, financial and managerial expertise/capability and duly approved in writing by the Concessioning Authority; but in either case, the Concessionaire shall remain solely responsible to meet the Project Plan and Educational Standards and to fulfil all other obligations under this Agreement.

(d) Subject to the terms of this Agreement, the Concessionaire shall have the right to develop, create, obtain, set up, construct as the context admits or requires,

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operate and maintain the Project by itself or through its Sub-Contractors.

(e) The Concessionaire shall have the right to use the Project School in accordance with the provisions of this Agreement and for this purpose the Concessionaire may regulate the entry and use of the Project School by the Third Parties.

(f) The Concessionaire shall not use the Project School for any purpose other than for the purpose of the Project and purposes incidental or ancillary thereto.

(g) During the Concession Period, the Concessionaire shall provide the Concessioning Authority (or any Consultant(s) appointed by it) any documentation as required by the Concessioning Authority and/or such Consultant(s) with regard to the Project being undertaken by the Concessionaire.

(h) The license and right to use the Project School granted to the Concessionaire hereunder shall always be subject to the right of access of Government of Pakistan, the Concessioning Authority, any Consultant(s) by the same, any experts appointed by the Concessioning Authority and their employees and agents for inspection, viewing and as exercise of their rights and performance of their obligations under this Agreement.

(i) The Concessionaire shall ensure at its cost and consequence that during such period the Project School is protected from any security threats and that no damage is caused by its activities thereat.

(j) The Concessioning Authority, including its authorized employees, agents and representatives, through a written authority letter from Concessioning Authority, shall be permitted to enter upon the Project School at any time for the purpose of inspecting the Project School, including any alterations and improvements thereon.

(k) The concessionaire shall be provided equal business opportunity to introduce English medium/ Grammar/ International Baccalaureate/ Cambridge/ Oxford curriculum based education programme etc. by allowing the Railways Employees children to be adjusted in the equivalent grades, without any discrimination by observing the quota capped (25%) for the Railway Employees children as stated in **Schedule 1** of this Agreement and fee structure as fixed by PR, given below:

i. Upto Primary (5^{th} Class) – Max Rs. 1000 per month
ii. Beyond Primary and upto 10^{th} Class – Max Rs. 1500 per month
iii. For college Intermediate level (FA, FSc, Icom, ICS, FA/IT) – Max Rs. 2000 per month
iv. For college, Graduation level (Associate Degree Program) – Max Rs. 2500 per month
v. For Master level (BS Honor) – Max Rs. 5000 per month
vi. For B.Sc Engineering and other technical education including allied health sciences program – Half of actual fee.
vii. The admission fee and other funds of Railway students will be as per notified Railway fee schedules.

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(l) The Project School shall bear the name of both the Concessionaire and the Concessioning Authority for the duration of the Concession Period.

(m) The Concessionaire shall keep record of the revenue generated there from and submit it to the Concessioning Authority on 6 month basis or as demanded by the Concessioning Authority. The Concessioning Authority shall have the right, at its own cost and expense, to have such records audited.

(n) Staff appointed by the Concessionaire shall always be compensated by the Concessionaire. The Concessioning Authority shall not be responsible for their employment on expiry or termination of the agreement.

5. VARIATION

5.1. Value Development

(a) The Concessionaire may, at any time, submit to the Concessioning Authority a written proposal ("**Variation Notice**") which (in the Concessionaire's opinion) will, if adopted: (i) accelerate the completion of the Project; (ii) reduce the cost of maintaining or operating the Project; (iii) improve the efficiency or value of the completed Project; and/or (iv) otherwise be of benefit to the Project or to the Concessioning Authority.

(b) The proposal shall be prepared at the cost of the Concessionaire and shall include the following items and information:

i. The options for implementing the proposed variations and the effect, if any, each such option would have based on the costs and time thereof;
ii. The estimate of the additional cost and expenses, including for the additional works, which shall be incurred by the Concessionaire for implementing the said variation; and
iii. The assessment of the time (in number of days) which is required to make such variation.

5.2. Variation Procedure

(a) The Concessioning Authority shall, as soon as practicable after receiving such proposal (under Article 5.1 (*Value Development*)), respond with approval, disapproval or comments. The said proposal shall be deemed to be approved in only case if the Concessioning Authority approve it.

(b) Upon approving a Variation, the Concessionaire shall make these revisions. Irrespective of any such Variation, the Concessioning Authority shall not grant any extension in the Concession Period.

6. CONSIDERATION

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6.1. Payments to PR

a. One time commitment fee as mentioned in the **Section E** of the bidding documents shall be payable within 15 days after the issuance of letter of acceptance.

b. The approved projected Financial Model as per quoted amount submitted during financial evaluation shall form an integral part of the Agreement. The concessionaire shall use reasonable endeavor to align its performance with said financial model.

c. The PR Share in the Gross Revenue shall be transferred into the bank account specified by PR directly on daily basis, by setting up accounting software (to determine the sources of revenue generation, to accurately track the daily revenue generation from multiple sources, generate daily reports showing total revenue generated by logging all revenue transections, apply the revenue sharing formula to calculate each party's share of the revenue & to transfer the calculated shares to the specified bank accounts).

d. The distribution of Revenue between the Concessionaire and the Concessioning Authority shall be managed through an Escrow Agreement, the operation of which shall be governed by the Escrow Agreement attached hereto and forming an integral part of the Concession Agreement.

e. During the first year of mobilization period the concessionaire shall be bound to develop software and establish the Escrow Account.

f. During mobilization period, the concessionaire shall be bound to pay 50% of the quoted gross revenue share from the start of second year and 100% of the quoted gross revenue share from the third year and onwards till the currency of the agreement.

The Concessionaire shall make the above mentioned payments into the designated bank account of the Concessioning Authority through the escrow arrangements.

6.2. Penalty in case of Default

On default of PR Share up to one month, a penalty of 1% of gross revenue per day & 1.5% for the second month shall be imposed. In case the concessionaire fails to pay the PR share along with penalty within 10 days of the 3rd month, a 14 days' notice shall be served for termination of the contract with forfeiture of performance security.

7. OBLIGATIONS OF THE CONCESSIONAIRE

Following satisfaction of the Conditions Precedent, in addition to and not in derogation or substitution of any of its other obligations under the Agreement, the Concessionaire shall have the following obligations:

7.1. Project Development

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The Concessionaire shall complete the Project in accordance with the terms of this Agreement, and shall be bound to improve/enhance the capacity within 5 years from the appointed date.

7.2. Project Performance Security

(a) Each Concessionaire shall, for due and punctual performance of its obligations under the Concession Agreement, deliver to the PR an irrevocable and unconditional bank guarantee (the "Performance Guarantee") acceptable to the PR. Such Performance Guarantee shall be for an amount equal to Rs.5 million in Provincial Capital, Rs. 3 million in District Headquarters and Rs. 2 million for the Schools at Tehsil Level with validity period explained below.

(b) The Project Performance Security shall be from a Scheduled bank regulated by State Bank of Pakistan or a 'AA' rated insurance company, approved by the Concessioning Authority, payable at Lahore, Punjab, Pakistan. The Project Performance Security shall be valid upto the last day of concession period from the date of issuance. All charges, fees, costs and expenses related to the Project Performance Security shall be borne and paid by the Concessionaire. At the end of the Concession Period the Performance Security, subject to the Concessioning Authority's right to receive or recover amounts, if any, due from the Concessionaire under the Agreement, be duly discharged and released to the Concessionaire.

(c) If this Agreement is terminated due to any event other than a Concessionaire Event of Default, the Project Performance Security shall, subject to the Concessioning Authority's right to receive or recover amounts, if any, due from the Concessionaire under the Agreement, be duly discharged and released to the Concessionaire.

7.3. Financing Arrangement, Payment of Taxes, etc.

(a) Prior to procuring any loan or financing for the Project, if any, the Concessionaire shall deliver to the Concessioning Authority a Schedule or a copy of the term sheet reflecting the proposed material terms of the Financing Documents, and setting forth a principal repayment Schedule that provides for a debt obligation that is not more than the maximum percentage of Total Project Cost prescribed by the State Bank of Pakistan including the maximum principal amounts and interest rate or rates (or mark-up or any other term connoting the return paid to the Lender on debt) and any Schedules or formulae that will be included in the Financing Documents for the computation of fees and charges payable to the Lender upon the winding up for early termination of the loans under the Financing Documents, and shall also identify the equity commitment of the Successful Bidder. If the Concessioning Authority has any objections to the terms specified in such term sheet or Schedule, it shall inform the Concessionaire thereof within fifteen (15)

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days of its receipt thereof; otherwise, it shall be deemed not to have objected to those terms and the Concessionaire shall be entitled thereafter to execute the Financing Documents, consistent with those terms and a principal repayment Schedule of the specified term or a shorter term without further notice to or non-objection by the Concessioning Authority. The Concessionaire shall provide the Concessioning Authority with a copy of the Financing Documents as executed no later than fifteen (15) days after the date of such execution.

(b) The Concessionaire shall not execute any amendment or modification changing or affecting the repayment of principal (including any refinancing or restructuring of payment obligations under any Financing Document) or enter into any loan agreement for secured debt or otherwise incur any additional secured debt without submitting to the Concessioning Authority, no less than thirty (30) days prior to execution of such amendment or modification to the Financing Documents or new loan agreements, a Schedule or term sheet setting forth the proposed revised principal repayment Schedule and the other principal financial terms or material modifications related thereto. The Concessioning Authority shall notify the Concessionaire of any objections to the term sheet or Schedule related to the proposed modification to the principal repayment Schedule as soon as reasonably possible, and in any case within fifteen (15) days of receipt of the term sheet or Schedule. The Concessionaire shall deliver to the Concessioning Authority, copies of all amendments to the executed Financing Documents within ten (10) days after the execution of each such document.

(c) The Concessionaire is under no obligation to obtain loan financing for the Project. The Concessionaire shall at its own cost, expense and risk make such financing arrangement as would be necessary to develop and implement the Project and to meet all of its obligations under this Agreement.

(d) The Concessionaire shall pay all duties, taxes, levies, etc. such Import Duties, etc. towards all or any of the equipment, material, furnishings, etc. to be installed in the Project/Project School apart from taking any necessary approvals / permissions for the same.

(e) The Concessionaire shall pay at its own cost all applicable, existing and future taxes / charges / fees / levies/ cess including any income tax, property tax, service(s) tax, water tax (abiana), stamp duty, registration charges and / or pay cost of any legal documentation charges, etc. in respect of the said Project / Project School as levied.

7.4. Project Implementation

(a) The Concessionaire shall implement the Project in accordance with the standards and specifications as stipulated herein and as per the RFP, within the Concession

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Period.

(b) The Concessionaire shall obtain all necessary approvals, permissions and sanctions for setting up of Project and other allied infrastructure and facilities.

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(c) The Consultant(s), if any, appointed by the Concessioning Authority shall have a right to inspect the Project School for compliance of the terms of this Agreement and Applicable Laws.

(d) The Concessionaire shall adhere to the Applicable Laws and Good Industry Practice.

(e) The Concessionaire may undertake implementation of the Project by itself or through Sub-Contractor(s) possessing requisite technical, financial and managerial expertise / capability; but in any case the Concessionaire shall and will remain solely responsible for its overall liabilities and obligations under the contract, overall supervision, monitoring and control of the activities of all the Sub-Contractors, their employees and agents engaged under respective "Project Agreements" as may be necessary.

(f) For this purpose, Concessionaire shall undertake all necessary activities such as upgradation/rehabilitating, financing, operating and maintaining the Project and the Project School, in accordance with the provisions of the Agreement and as per Good Industry Practice.

(g) The Concessionaire shall operate and maintain the Project School in accordance with the provisions of the Agreement and as per Good Industry Practice. The Concessionaire may install, procure and arrange specified and necessary machinery, apparatus, services and its supporting infrastructure towards the Project. It shall keep all the necessary Project equipment adequately insured and shall pay regular and timely premium, at its own cost.

(h) In terms with the provisions of the Agreement, the Concessionaire shall make timely discharge of its obligations to the Concessioning Authority, wherever required and applicable.

(i) The Concessionaire shall submit to the Concessioning Authority the drafts of all Project Agreements or any amendments or replacements thereto for its review and comments, and the Concessioning Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, to the Concessionaire within fifteen (15) days of the receipt of such drafts. Within seven (7) Days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Concessioning Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record.

(j) The Concessionaire shall provide all production inputs, machinery and equipment necessary to complete the Project works, at its own cost. All Concessionaire's Equipment shall, when brought on to the Project School, be deemed to be

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exclusively intended for the execution of the works of the Project. The Concessionaire shall ensure continuous workflow as required under the program and shall replace the broken machinery and equipment immediately after its occurrence and shall bear the entire cost. Market shortage of production inputs or breakdown of machinery or equipment shall not be a valid reason for any delay, extension in the Concession Period or addition of cost, towards the Project.

(k) Concessionaire shall follow Applicable Laws regarding educational activities.

(l) The Concessionaire shall at its own costs, expenses and consequences perform the following:

i. To issue its receipts and invoice in its own name.

ii. The Concessionaire will take all necessary insurance in respect of the Project, as reasonable and having regard to Good Industry Practice. The Concessionaire shall throughout the term of the Agreement maintain such insurance as available and from time to time regularly bear and pay the insurance premium in this regard.

iii. The Concessionaire shall bear and pay all expenses, taxes, due and payable in respect of the operation and management of the Project, including income tax (corporate), sales tax, VAT where applicable, service tax and the like and will ensure that these are paid in time and no defaults are made in respect of the same. Further the Concessionaire shall ensure that all returns in this regard are filed before the due date as per Applicable Laws.

iv. The Concessionaire shall not in the operation of the Project do any act or omission which shall be unlawful in nature and throughout the term abide by all the law, rules, orders, regulations and other requirements as applicable for the operation and management of the Project from time to time.

v. The Concessionaire shall keep and maintain all such books, records and reports as are required to be maintained under Applicable Laws and shall submit or cause to be submitted to appropriate authorities, all information and reports as are legally required.

vi. The Concessionaire shall submit to the Concessioning Authority a copy of its audited annual report every year during the Concession Period.

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vii. The Concessionaire shall furnish to the Concessioning Authority such information as required by the Concessioning Authority with respect to operation and maintenance of the Project.

viii. Notwithstanding anything contained herein, the Concessionaire shall be solely responsible for all the claims or proceedings filed with respect to the management and operation of the Project whether with regard to any negligence committed in the Project or by reason of deficiency in the Project or otherwise for any reason whatsoever whether intentionally or unintentionally and the Concessioning Authority shall not be responsible or liable for the same whether vicariously or otherwise and the Concessionaire shall always keep the Concessioning Authority indemnified in this regard.

ix. The Concessionaire will ensure that the highest standards and Good Industry Practice of similar standing will be adopted and followed in the said Project throughout the Concession Period.

x. In the event the Concessionaire has failed to operate and maintain the Project in accordance with Good Industry Practice and as per the provisions of this Agreement, a notice to that effect will be issued by the Concessioning Authority to the Concessionaire. The Concessionaire shall take all steps to address the concerns raised by the Concessioning Authority in the said notice within reasonable period. If the Concessionaire does not remedy any such Material Breach in the period specified in the notice, it shall be constituted as a Concessionaire Event of Default in terms of the provisions of Article 10.1.1.

xi. The Concessionaire may subcontract operations and maintenance of parts of the Project/Project School, provided however, that the Concessionaire shall remain liable for all obligations under this Agreement and it shall be obligatory upon the Concessionaire to provide copies of all such Project Agreements entered into from time to time with Third Parties to the Concessioning Authority, with incorporated Clauses, in all Project Agreements with such respective Third Parties, that: (i) the period of the Project Agreement shall be co-terminus with the Term of this Agreement and (ii) in case of Termination of this Agreement (by efflux of time or pre-mature termination), the Concessioning Authority shall have the option to continue with such Project Agreements in its own discretion, such that all benefits, arising out of such Project Agreements of the Project, in case they continue to accrue, shall henceforth be accrued / appropriated to the Concessioning Authority. It is being clarified here that the similar provision

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shall be mandatorily incorporated in all the Project Agreements and the signed copy of the Project Agreements shall be submitted to the Concessioning Authority for perusal.

xii. The Concessionaire shall invite a representative of the Concessioning Authority, as nominated by the Concessioning Authority, every year to the annual general meeting of the Concessionaire.

7.5. Insurance

7.5.1. General

If necessary and possible, the Concessionaire agrees to secure at its own expense and to keep in force at all times during the Concession Period hereof, takaful or insurance from any 'AA' rated (or higher rated) insurance company: (i) required under Applicable Law against claims for injury to persons or damage to property which may arise from or in connection with the performance of obligations under this Agreement by the Concessionaire, its agents, representatives or employees; (ii) cover, if available, for any damage to the Project as shall be prudent to insure against having regard to Good Industry Practice including against Force Majeure Events. Takaful or insurance requirements do not limit in any way the indemnity covenants contained in this Agreement or scope of liability of Concessionaire under this Agreement. Takaful or insurance required under Applicable Law must be maintained without any lapse in coverage during the entire Concession Period. Any takaful or insurance required under the Applicable Law, cancelled without the Concessioning Authority's consent or failure by Concessionaire to provide evidence of renewal within forty-eight (48) hours after written notice by the Concessioning Authority is a Material Breach and shall be deemed an immediate Event of Default on behalf of the Concessionaire under this Agreement.

7.5.2. Utilization of Insurance Proceeds

Upon the occurrence of any loss under the policy of takaful or insurance, the Concessionaire shall utilize the proceeds received from takaful or insurance to make good the loss. In the event of the proceeds received under the policy of takaful or insurance be insufficient to cover the necessary repair and or restoration works, or the cost of replacement, as the case may be, the Concessionaire shall make good the deficiency thereof.

7.5.3. Evidence of Takaful / Insurance

The Concessionaire shall, upon receipt of the duly executed policies of takaful or insurance, provide to the Concessioning Authority with copies of all such policies at least fifteen (15) days prior to the Compliance Date.

7.5.4. Validity of Takaful or Insurance

The Concessionaire shall promptly pay all insurance premiums and ensure that the takaful or insurance policies are in force and valid throughout the Concession Period. Each takaful or insurance policy shall provide that the same shall not be cancelled or terminated unless ten

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(10) days clear notice of cancellation is provided to the Concessioning Authority in writing. If at any time the Concessionaire fails to obtain or maintain in full force and effect any of the insurance required under this Agreement, the Concessioning Authority may at its option obtain and maintain such insurance and all sums incurred by the Concessioning Authority thereof shall be reimbursed by the Concessionaire to the Concessioning Authority within seven (7) days from the receipt of claim in respect thereof made by the Concessioning Authority or otherwise settle with the Concessionaire. Non exercise of option of the Concessioning Authority to obtain insurance shall not constitute waiver of obligation of the Concessionaire to maintain insurance under this Article.

7.5.5. Application of Takaful or Insurance Proceeds

Subject to the provisions of the Financing Documents and unless otherwise provided herein, the proceeds of all takaful or insurance policies received shall be promptly applied by the Concessionaire towards repair, renovation, restoration or re-instatement of the Project/Project School or any part thereof which may have been damaged or destroyed. The Concessionaire shall carry out such repair, renovation, restoration or re-instatement to the extent possible in such manner that the Project/Project School after such repair, renovation, restoration or re-instatement be as far as possible in the same condition as it were prior to such damage or destruction, normal wear and tear excepted.

7.5.6. Waivers

(a) All takaful/insurance covers taken under this Article 7.5 shall include a waiver of any right of subrogation of the insurers therein against, *inter alia*, the Concessionaire and its Sub-Contractors, employees, successors, permitted assigns, insurers and underwriters and of any right of the insurers of any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy.

(b) All the insurance policies shall include the Concessioning Authority as a beneficiary along with the Concessionaire.

7.6. Regulatory Clearances and Compliance

At all times, the Concessionaire shall obtain the requisite regulatory and Applicable Permits from the appropriate Government Agency and shall also ensure that the processes employed in the development, operation and maintenance thereof, for the Project is in compliance with the Applicable Laws pertaining to education, environment, health and safety aspects including, policies and guidelines related thereto.

7.7. General Obligations

The Concessionaire shall:

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(a) procure and maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;

(b) at all times, to afford access to the Project School to the authorized representatives of Government of Pakistan, Concessioning Authority, the Lenders, other persons duly authorized by any Government Agency having jurisdiction over the Project, to inspect the Project and to investigate any matter within their authority and upon reasonable notice;

(c) perform and fulfil its obligations under any Financing Documents;

(d) make efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of its obligations under the Agreement and shall be solely responsible for compliance with all labour laws and solely liable for all possible claims and employment related liabilities of its staff employed in relation with the Project and hereby indemnifies the Concessioning Authority against any claims, damages, expenses or losses in this regard and that in no case and shall for no purpose shall the Concessioning Authority be treated as employer in this regard;

(e) make its own arrangements for implementation of Project and observe and fulfil the environmental and other requirements under the Applicable Laws and Applicable Permits from time to time;

(f) ensure that the Project School remains free from all encroachments and take all steps necessary to remove encroachments, if any;

(g) pay all taxes, duties, levies and outgoings, including utility charges and income tax relating to the Project;

(h) not do or omit to do any act, deed or thing which may in any manner violate any of the provisions of this Agreement; and

(i) transfer the Project to the Concessioning Authority in fully operational mode and ready for operation of the Project School upon termination of this Agreement, in accordance with the provisions contained herein.

7.8. No Breach of Obligations

The Concessionaire shall not be considered to be in breach of its obligations under the Agreement nor shall it incur or suffer any liability if and to the extent performance of any of its obligations under the Agreement is affected by or on account of any of the following:

(a) Force Majeure Events, subject to Article 9;

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(b) Concessioning Authority's Event of Default;

(c) Compliance with the directions of any Government Agency, other than instructions issued as a consequence of a breach by the Concessionaire of any of its obligations hereunder; and

(d) Closure of the Project/Project School, or part thereof, with the approval of the Concessioning Authority.

7.9. Progress Reports

The Concessionaire shall prepare and submit reports on the progress of implementation of Project ("**Progress Report(s)**"), detailing an executive summary of activities completed and under progress at the conclusion of each year of the Concession Period:

8. OBLIGATIONS OF THE CONCESSIONING AUTHORITY

In addition to and not in derogation or substitution of any of its other obligations under this Agreement, the Concessioning Authority shall have the following obligations:

(a) Any claims, liabilities and litigations for providing the Project School free of Encumbrances, prior to the date of issue of Notice to Commence, shall be borne solely by the Concessioning Authority;

(b) To facilitate the Concessionaire in getting all such approvals, permissions and authorisations which the Concessionaire may require or is obliged to seek under the Agreement in connection with development of the Project and the performance of its obligations hereunder;

(c) The Concessioning Authority shall use its best efforts to provide enabling environment to the Concessionaire for the execution of the Project;

(d) The Concessioning Authority, either itself, or through its nominee may undertake the overall monitoring of the Project during the Concession Period.

8.1. Consultants

(a) If and when required by it, the Concessioning Authority may appoint person(s) specialising in implementation of project for review of the progress of the Project (the "**Consultant(s)**").

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(b) The Concessioning Authority may appoint at any time a Consultant(s) who is a designated official of the Ministry of Federal Education and Professional Training, Government of Pakistan or an affiliate of the Concessioning Authority ("**Internal Consultant**") for periodic monitoring, evaluation and review of the Project in accordance with Good Industry Practice, Applicable Laws and this Agreement.

(c) The Concessioning Authority may appoint an external specialist as Consultant ("**Independent Consultant**"), in accordance with the Pakistan Procurement Regulatory Authority Ordinance, 2002.

(d) The Consultant(s), if appointed, shall submit monitoring and evaluation reports to the Concessioning Authority.

(e) If the Concessionaire has reason to believe that the Consultant is not discharging its duties and functions in a fair, efficient and diligent manner, it may make a written representation to the Concessioning Authority and seek termination of the appointment of the Consultant. Upon receipt of such representation, the Concessioning Authority shall hold a tripartite meeting with the Concessionaire and the Consultant for an amicable resolution of the Dispute, and if any difference or disagreement between the Consultant and the Concessionaire remains unresolved, the Dispute shall be settled in accordance with Article 12 (Dispute Resolution). In the event that the appointment of the Consultant is terminated hereunder, the Concessioning Authority shall appoint forthwith another Consultant.

(f) If a Party disputes any advice, instruction, decision, direction or award of the Consultant, or, as the case may be, the assertion or failure to assert jurisdiction, the Dispute shall be resolved in accordance with Article 12 (Dispute Resolution).

9. FORCE MAJEURE

9.1. Force Majeure Event

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 (the "**Affected Party**"), and is not attributable to the negligence of the Affected Party or its employees and that materially and adversely affects the performance by such 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 Project/Project School 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

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occur, and the likely efficacy of the protection measures. Without limiting the generality of the foregoing, "Force Majeure Events" hereunder shall include each of the following events and circumstances (including the effects thereof), but only to the extent that each satisfies the requirements above:

(a) A Non-Political Event shall mean one or more of the following acts or events which makes it impossible or impractical for the Affected Party to perform any of its obligations for a continuous period of not less than two (2) weeks from the date of its occurrence:

i. Act of God, earthquake, landslide;

ii. Storm, tempest, hurricane, cyclone, lightning, thunder or other extreme atmospheric disturbances;

iii. Fire caused by lightning;

iv. Country-wide strikes, boycotts, labour disruptions or any other industrial disturbances not arising on account of the acts or omissions of the Concessionaire or the Sub-Contractor; or

v. Any failure or delay of a Sub-Contractor caused by any of the aforementioned Non-Political Events, for which no offsetting compensation is payable to the Concessionaire by or on behalf of the Sub-Contractor.

(b) A Political Event shall mean any event, including the following:

i. Action of a Public Entity of expropriation, nationalization or compulsory acquisition or takeover the Project School or Project or any part thereof from the Concessioning Authority, thereby terminating the Concessionaire's acquired rights of operation and maintenance as per this Agreement (other than in accordance with termination rights under this Agreement);

ii. Early termination of this Agreement by the Concessioning Authority for reasons of national Emergency, national security or public interest; or

iii. Any event or circumstances of a nature analogous to any of the foregoing.

(c) An Indirect Political Event shall mean any of the following which makes it impossible for the Concessionaire to perform any of its obligations for a continuous period of not less than two (2) weeks from the date of its occurrence:

i. Ionizing radiation, pandemics, epidemics, contamination by radio activity from nuclear fuel, any nuclear waste, or radioactive toxic explosion;

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ii. War, hostilities (whether war be declared or not), acts of terrorism, rebellion, riots or ethnic violence, civil commotion, unrest, disruption or civil war;

iii. Invasion, act of foreign enemy, weapon conflict or military actions; or

iv. Any event or circumstances of a nature analogous to any of the foregoing reasons including latent defect.

9.2. Force Majeure Period

The period commencing from the date of occurrence of a Force Majeure Event and ending on the date on which the Federal/Provincial/District authority declares the resumption of business activity in accordance with the Good Industry Practice.

9.3. Force Majeure Notice

(a) Upon occurrence of a Force Majeure Event, the Affected Party shall by notice ("**Force Majeure Notice**") report such occurrence to the other Party forthwith. Any notice pursuant hereto shall include full particulars of:

i. the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Article with evidence in support thereof;

ii. the estimated duration and the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;

iii. the measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and

iv. any other information relevant to the Affected Party's claim.

(b) The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event not later than 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.

(c) For so long as the Affected Party continues to claim to be materially affected by such Force Majeure Event, it shall provide the other Party with regular (and not less than weekly) reports containing information as required by Sub-Clause (a), and such v

(d) other information as the other Party may reasonably request the Affected Party to provide.

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9.4. Performance of Obligations

If the Affected Party is rendered wholly or partially unable to perform any of its obligations under the Agreement because of a Force Majeure Event, it shall be excused from performance of such obligations to the extent it is unable to perform the same on account of such Force Majeure Event provided that:

(a) due notice of the Force Majeure Event has been given as required by the preceding Article 9.3.;

(b) the excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event;

(c) the Affected Party has taken all reasonable efforts to avoid, prevent, mitigate and limit damage, if any, caused or is likely to be caused to the Project as a result of the Force Majeure Event and to restore the Project/Project School, in accordance with the Good Industry Practice and its relative obligations under this Agreement;

(d) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party written notice to that effect and shall promptly resume performance of its obligations hereunder, the non-issue of such notice being no excuse for any delay for resuming such performance;

(e) the Affected Party shall continue to perform such of its obligations which are not affected by the Force Majeure Event and which are capable of being performed in accordance with this Agreement; and

(f) any insurance proceeds received shall, subject to the provisions of Financing Documents, be entirely applied to repair, replace or re-instate the assets damaged on account of the Force Majeure Event, or in accordance with Good Industry Practice.

9.5. Consequences of Force Majeure Event

In the case of Force Majeure Event, no extension in the Concession Period shall be given to the Concessionaire.

9.6. Liability for other losses, damages etc.

Save and except as expressly provided in this Article, neither Party hereto shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event.

10. EVENTS OF DEFAULT AND TERMINATION

10.1. Events of Default

Events of Default shall mean either Concessionaire Event of Default or the Concessioning

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Authority Event of Default or both as the context may admit or requires.

10.1.1. Concessionaire Event of Default

Any of the following events shall constitute an Event of Default by the Concessionaire ("**Concessionaire Event of Default**") unless such event has occurred as a result of Force Majeure in accordance with Article 9 or a breach of Concessioning Authority under this Agreement.

(a) In the opinion of Concessioning Authority (or any Consultant(s) appointed by it), the Concessionaire has failed to implement the Project, during the Concession Period;

(b) The Concessionaire has failed to pay any remuneration, cost or expense invoiced to the Concessionaire in relation to the Consultant(s) or any other payments or fees due to the Concessioning Authority and more than sixty (60) days have lapsed since such payment or fee became due;

(c) The Concessionaire has failed to comply with the Applicable Laws / Applicable Permits and such failure has resulted in a Material Breach of the Agreement;

(d) The Concessionaire has failed to perform any of its obligations or undertook any activity prohibited under this Agreement;

(e) The Concessionaire has failed to implement the Project in accordance with the provisions of the Agreement and such failure, in the reasonable estimation of Concessioning Authority, would likely delay the Project;

(f) The Concessionaire's failure to perform or discharge any of its obligations under this Agreement, which has or is likely to have a Material Adverse Effect;

(g) The Concessionaire is in Material Breach of any of its obligations under the Agreement and the same has not been remedied for more than one hundred and twenty (120) days;

(h) Any representation made or warranty as given by the Concessionaire under the Agreement is found to be false or misleading;

(i) Change in Ownership of the Concessionaire without prior approval of the Concessioning Authority;

(j) A resolution has been passed for voluntary winding up of the Concessionaire;

(k) Any petition for winding up of the Concessionaire and/or the Successful Bidder has been admitted and liquidator or provisional liquidator has been appointed or the

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Concessionaire has been ordered to be wound up by court of competent jurisdiction, except for the purpose of amalgamation or reconstruction with the prior consent of Concessioning Authority, provided that, as part of such amalgamation or reconstruction and the amalgamated or reconstructed entity has unconditionally assumed all surviving obligations of the Concessionaire and/or the Successful Bidder under this Agreement;

(l) A default has occurred under any of the Financing Documents and any of the Lender(s) to the Project has recalled its Financial Assistance and demanded payment of the amounts outstanding under the Financing Documents or any of them as applicable;

(m) The Concessionaire has abandoned the Project for a consecutive period of six (6) consecutive months;

(n) The Concessionaire has unlawfully repudiated this Agreement or has otherwise expressed an intention not to be bound by this Agreement;

(o) The Concessionaire has filed a claim, suit, writ or application against the Concessioning Authority or the Government of Pakistan or its affiliate demanding specific performance, injunctive, equitable or other prospective relief;

(p) The Concessionaire has suffered an attachment levied on any of its assets, which has caused or is likely to cause a Material Adverse Effect on the Project and such attachment has continued for a period exceeding one hundred and twenty (120) days; and/or

(q) The Concessionaire has created Encumbrance(s) beyond the Concession Period / Term of this Agreement and in violation of the provisions herein in this regard.

10.1.2. Concessioning Authority Event of Default

Any of the following events shall constitute an Event of Default by the Concessioning Authority ("**Concessioning Authority Event of Default**") unless such event has occurred as a result of a breach of Concessionaire under this Agreement:

(a) any Material Breach or default by the Concessioning Authority of or under this Agreement that is not remedied within one hundred twenty (120) days after notice from the Concessionaire to the Concessioning Authority stating that a Material Breach of this Agreement has occurred that could result in the termination of this Agreement, identifying the Material Breach in reasonable detail, and demanding remedy thereof;

(b) Any change in the interpretation of, any of the Applicable Laws (including the Constitution of Pakistan and any other Applicable Laws that gives effect to the injunctions of Islam, being in the case of a decision of a court, a decision which is no longer in suspense as a result of an appeal) from and after the date of this Agreement having the effect of making unlawful, unenforceable, invalid, or void any material

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undertaking of the Concessioning Authority under this Agreement.

10.2. Termination Due to Event of Default

10.2.1. Termination for Concessionaire Event of Default

(a) Without prejudice to any other right or remedy which Concessioning Authority may have in respect thereof under this Agreement, upon the occurrence of a Concessionaire Event of Default, Concessioning Authority shall be entitled to terminate the Agreement in the manner as set out under the following Sub-Clause (b) and (c).

(b) If Concessioning Authority decides to terminate the Agreement pursuant to the preceding Sub-clause (a), it shall in the first instance issue a "**Preliminary Notice to Remedy**" to the Concessionaire and within thirty (30) days of receipt of the Preliminary Notice to Remedy, the Concessionaire shall submit to the Concessioning Authority in sufficient detail, the manner in which it proposes to cure the underlying Event of Default (the "**Concessionaire's Proposal to Rectify**"). In case of non-submission of the Concessionaire's Proposal to Rectify within the said period of thirty (30) days, the Concessioning Authority shall be entitled to terminate the Agreement by issuing the Termination Notice.

(c) If the Concessionaire's Proposal to Rectify is submitted within the period stipulated therefore, the Concessionaire shall have further period of ninety (90) days ("**Cure Period**") to remedy / cure the underlying Event of Default. If, however the Concessionaire fails to remedy / cure the underlying Event of Default within such further period allowed, Concessioning Authority shall be entitled to terminate the Agreement by issuing the Termination Notice.

10.2.2. Termination for Concessioning Authority Event of Default

(a) Without prejudice to any other right or remedy which the Concessionaire may have in respect thereof under this Agreement, upon the occurrence of Concessioning Authority Event of Default, the Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.

(b) If the Concessionaire decides to terminate the Agreement pursuant to the preceding Sub-clause (a), it shall in the first instance issue **Preliminary Notice to Remedy** to the Concessioning Authority. Within thirty (30) days of receipt of Preliminary Notice to Remedy, to Concessioning Authority shall forward to the Concessionaire its proposal to remedy / cure the underlying Event of Default (the "**Concessioning Authority's Proposal to Rectify**"). In case of non-submission of Concessioning Authority's Proposal

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to Rectify within the said period of thirty (30) days, Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.

(c) If Concessioning Authority's Proposal to Rectify is forwarded to the Concessionaire within the period stipulated thereof, Concessioning Authority shall have further period of ninety (90) days to remedy / cure the underlying Event of Default. If, however, Concessioning Authority fails to remedy / cure the underlying Event of Default within such further period allowed, the Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.

10.2.3. Termination for Continuing Force Majeure Event

Upon Termination of this Agreement due to a Force Majeure Event continuing for a period beyond one (1) year, Termination Concession shall be made to the Concessionaire by the Concessioning Authority in accordance with the following:

(a) If Termination is due to a Force Majeure Event which is a Non-Political Event, no Termination Concession shall be made by the Concessioning Authority to the Concessionaire but, the Concessionaire shall be entitled to receive and appropriate the proceeds of any insurance obtained by it. The Concessionaire shall pay the Revenue Share as provided in Article 6.1., accrued prior to the occurrence of the Force Majeure Event.

(b) If Termination is due to a Force Majeure Event which is a Political Event, the Concessioning Authority shall waive the Revenue Share to be paid by the Concessionaire under this Agreement from the date of commencement of the Force Majeure Event to the date of termination of the Agreement.

(c) If Termination is due to a Force Majeure Event which is an Indirect Political Event, no Termination Concession shall be made by the Concessioning Authority to the Concessionaire but, the Concessionaire shall be entitled to receive and appropriate the proceeds of any insurance obtained by it. The Concessionaire shall pay the revenue share as provided in Article 6.1., accrued prior to the occurrence of the Force Majeure Event.

Provided that the Concessioning Authority shall be entitled to still charge the Concessionaire or deduct from the Termination Concession any amount due and recoverable by the Concessioning Authority from the Concessionaire as on the Termination Date.

10.3. Termination Notice

If a Party having become entitled to do so decides to terminate the Agreement pursuant to this Article 10 (Events of Default and Termination), it shall issue a notice ("**Termination Notice**") setting out:

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(a) in sufficient detail the underlying Event of Default;

(b) the Termination Date which shall be a date occurring not earlier than sixty (60) days from the date of Termination Notice;

(c) the estimated Termination Concession including the details of computation thereof; and

(d) any other relevant information.

10.3.1. Obligation of Parties

Following issue of Termination Notice by either Party, the Parties shall promptly take all such steps as may be necessary or required to ensure that:

(a) until Termination the Parties shall, to the fullest extent possible, discharge their respective obligations so as to maintain the continued operation of the Project;

(b) The Project/Project School shall be transferred to the Concessioning Authority by the Concessionaire on the Termination Date, free from all Encumbrances, as per the provisions of Article 11 of this Agreement;

(c) The Termination Concession, if any, payable by either Party is paid to the other Party on the Termination Date.

10.3.2. Withdrawal of Termination Notice

Notwithstanding anything inconsistent contained in this Agreement, if the Party who has been served with the Termination Notice cures the underlying Event of Default to the satisfaction of the other Party at any time before the Termination occurs, the Termination Notice shall be withdrawn by the Party which had issued the same. Provided that the Party in breach shall compensate the other Party for any direct costs / consequences occasioned by the Event of Default, which caused the issue of Termination Notice.

10.4. Termination Concession

(a) Upon Termination of the Agreement on account of a Concessionaire Event of Default the Concessioning Authority shall: (i) be entitled to retain revenue share payments, if any, already received from the Concessionaire; (ii) not make any refund payments to the Concessionaire (if applicable under Clause 10.2.3(b) hereinabove); and (iii) be entitled to encash and retain the Performance Security, without prejudice to any other rights and remedies available to the Concessioning Authority including but not limited to claiming damages.

(b) Upon Termination of the Agreement in case of the occurrence of the Concessioning Authority's Event of Default, the Concessioning Authority shall waive off payment of the revenue share due to be paid to the Concessionaire from the occurrence of the

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Concessioning Authority's Event of Default to the date of Termination of the Agreement.

10.5. Rights of Concessioning Authority on Termination

Upon termination of the Agreement for any reason whatsoever, Concessioning Authority shall have the power and authority to:

(a) Enter upon and take possession and control of the Project/ Project School forthwith; and

(b) Prohibit the Concessionaire and any person claiming through or under the Concessionaire from entering upon / dealing with the Project/Project School.

Notwithstanding anything contained in this Agreement, Concessioning Authority shall not, as a consequence of Termination or otherwise, have any obligation whatsoever including but not limited to obligations as to compensation for loss of employment, continuance or regularisation of employment, absorption or re- employment on any ground, in relation to any person in the employment of or engaged by the Concessionaire in connection with the Project, and the transfer of the Project/Project School by the Concessionaire to Concessioning Authority shall be free from any such obligation.

10.6. Accrued Rights of Parties

Notwithstanding anything to the contrary contained in this Agreement, Termination pursuant to any of the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including each Party's right to claim and recover monetary damages and other rights and remedies which it may have under law or contract. The rights and obligations of either Party under this Agreement, including without limitation those relating to the Termination Concession, shall survive the Termination but only to the extent such survival is necessary for giving effect to such rights and obligations. In any case, no claim or interest of the Concessionaire shall under any circumstances be entitled to specific performance or any injunctive, equitable or other prospective relief.

11. TRANSFER

11.1. Mode of Transfer

On the Transfer Date or in case of earlier termination under this Agreement, all rights and benefits of the Concessionaire arising from and under this Agreement or Project School shall be deemed to be transferred to the Concessioning Authority and the license of the Project School granted under Article 4 shall expire or deemed to be terminated/transferred, as the case may be. One (1) week prior to the Transfer Date, the Concessionaire shall comply with the following:

(a) The Concessionaire shall deliver all relevant records pertaining to the Project including

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the records relating to operation and maintenance of the Project, programmes, manuals, plans and all other relevant documents to the Concessioning Authority.

(b) The Concessionaire shall ensure that the Project School is cured of all the shortcomings, defects and deficiencies as may be required or instructed by the Consultant(s) or the Concessioning Authority.

(c) Without prejudice to the foregoing, the Concessionaire agrees to indemnify and keep indemnified the Concessioning Authority and the Government Pakistan from and against all actions, proceedings, losses, damages, liabilities, claims, costs and expenses whatsoever which may be sustained or suffered by the Concessioning Authority as a result of any actions or omissions of the Concessionaire prior to the Transfer Date. It is expressly understood by the Parties that this Article shall survive the termination or expiry of this Agreement.

(d) The Transfer Date is deemed to have occurred on the date when all the requirements under this Article 11 have been fulfilled by the Concessionaire and the requirements of the Successful Bidder pursuant to any undertakings in this Agreement have been fulfilled. The Concessioning Authority shall, without unreasonable delay, thereupon issue a vesting certificate substantially, which will have the effect of constituting evidence of divestment by the Successful Bidder and the Concessionaire of all of its rights, title and interest in the Project School or any part thereof , and their vesting in the Concessioning Authority pursuant hereto. It is expressly agreed that the issue of vesting certificate shall not in any manner be construed or interpreted as restricting the exercise of any rights by the Concessioning Authority or its nominee.

12. DISPUTE RESOLUTION

12.1. Amicable Resolution.

Save where expressly stated to the contrary in this Agreement, any dispute, difference or controversy of whatever nature between the Parties, howsoever arising under, out of or in relation to the Agreement (the "**Dispute**") shall in the first instance be attempted to be resolved amicably. Either Party may require such Dispute to be referred to the CEO of the Concessioning Authority and the CEO of the Concessionaire, for amicable settlement.

Upon such reference, the two shall meet at the earliest mutual convenience and in any case within thirty (30) days of such reference to discuss and attempt to amicably resolve the Dispute, as evidenced by the signing of written terms of settlement within thirty (30) days of such meeting or such longer period as may be mutually agreed by the Parties.

If the Dispute is not amicably settled through this meeting, either Party may refer the Dispute to arbitration in accordance with the provisions of the following Article 12.2.

12.2. Arbitration

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12.2.1. Procedure

Subject to the provisions of Article 12.1, any dispute, which is not resolved amicably, shall be finally decided by reference to arbitration under the Arbitration Act, 1940. The CEO/Sr. GM, Pakistan Railways shall act as a sole arbitrator.

12.2.2. Seat of Arbitration and Governing Law

The seat of arbitration shall be Lahore, Punjab, Pakistan only. The governing law for the purposes of any Dispute shall be the laws of Pakistan.

12.2.3. English Language

The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and awards shall be in English and, if oral hearings take place, English shall be the language used in the hearings.

12.2.4. Enforcement of Award

The Parties agree that the decision or award resulting from arbitration shall be final and binding upon the Parties and shall be enforceable in accordance with the provisions of the Arbitration Act, 1940.

12.2.5. *Performance during Arbitration*

Pending the submission of and / or decision on a dispute and until the arbitral award is published; the Parties shall continue to perform their respective obligations under this Agreement, without prejudice to a final adjustment in accordance with such award.

13. [Deleted]

[to be deleted]

14. REPRESENTATIONS AND WARRANTIES

14.1. Representations and Warranties of the Concessionaire

The Concessionaire represents and warrants to the Concessioning Authority that:

(a) it is duly organised, validly existing and in good standing under the laws of Pakistan;

(b) it has full power and authority to execute, deliver and perform its obligations under the Agreement and to carry out the transactions contemplated hereby;

(c) it has taken all necessary corporate and other action under Applicable Laws and its

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constitutional documents to authorise the execution, delivery and performance of this Agreement;

(d) the Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;

(e) the information furnished in the bid / proposal and as updated on or before the date of the Agreement is true and accurate in all respects as on the date of this Agreement;

(f) the execution, delivery and performance of the Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the Concessionaire's Memorandum and Articles of Association or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets are bound or affected;

(g) there are no actions, suits, proceedings or investigations pending or to the Concessionaire's knowledge threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may constitute Concessionaire Event of Default or which individually or in the aggregate may result in Material Adverse Effect;

(h) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Agency which may result in Material Adverse Effect;

(i) it has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect;

(j) subject to receipt by the Concessionaire from the Concessioning Authority of any amount due under any of the provisions of this Agreement, in the manner and to the extent provided for under the applicable provisions of the Agreement all rights and interests of the Concessionaire in and to the Project/Project School shall pass to and vest in the Concessioning Authority on the Transfer Date free and clear of all Encumbrances without any further act or deed on the part of the Concessionaire or the Concessioning Authority;

(k) no representation or warranty by the Concessionaire contained herein or in any other document furnished by it to the Concessioning Authority or to any Government Agency in relation to Applicable Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;

(l) without prejudice to any express provision contained in this Agreement, the Concessionaire acknowledges that prior to the execution of this Agreement, the

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Concessionaire has after a complete and careful examination made an independent evaluation of the Project School, and the information provided by the Concessioning Authority, and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the Concessionaire in the course of performance of its obligations hereunder; and

(m) the Concessionaire also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that the Concessioning Authority or the Government of Pakistan shall not be liable for the same in any manner whatsoever to the Concessionaire.

14.2. Representations and Warranties of the Concessioning Authority

The Concessioning Authority represents and warrants to the Concessionaire that:

(a) The Concessioning Authority has full power and authority to enter into this Agreement and has taken all necessary action to authorise the execution, delivery and performance of this Agreement;

(b) This Agreement constitutes the Concessioning Authority's legal, valid and binding obligation enforceable against it in accordance with the terms hereof;

(c) Concessioning Authority has power and authority to grant the Concession contemplated in this Agreement to the Concessionaire; and

(d) Upon the Concessionaire performing the covenants herein, it shall not at any time during the Concession Period hereof, interfere with peaceful exercise of the rights and discharge of its obligations by the Concessionaire, in accordance with this Agreement.

14.3. Obligation to Notify Change

In the event that any of the representations or warranties made / given by a Party ceases to be true or stands changed, the Party who had made such representation or given such warranty shall promptly notify the other of the same.

15. MISCELLANEOUS

15.1. Assignment and Charges

(a) The Concessionaire shall not, directly or indirectly, assign in favour of any person this Agreement or the rights, benefits and obligations hereunder, save and except with the prior consent of the Concessioning Authority.

(b) The Concessionaire shall not create nor permit to subsist any Encumbrance over the Project School or Project or any part thereof, except as envisaged under this Agreement.

(c) Sub-clauses (a) and (b) hereinabove of Article 15.1., shall not apply to assignment of

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the Concessionaire's rights and benefits under this Agreement to, or in favour of, the Lenders as security for the Financial Assistance provided by them, subject to consent and prior approval of the Concessioning Authority.

(d) Notwithstanding anything contained in Article 15.1. (c), the rights of the Concessionaire shall not be contrary or in derogation to the provisions relating to the Mode of Transfer as described under Article 11.

Governing Law and Jurisdiction

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed in accordance with the laws of Pakistan. The Courts of Pakistan only shall have jurisdiction over all matters arising out of or relating to this Agreement.

15.2. Waiver

(a) Neither failure by the Concessioning Authority to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation hereunder nor time or other indulgence granted by the Concessioning Authority to the Concessionaire shall be treated or deemed as a waiver of any terms, conditions or provisions of this Agreement unless it is provided in writing.

(b) Waiver provided in writing by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement:

i. shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement;

ii. shall not be effective unless it is in writing and executed by a duly authorised representative of such Party; and

iii. Shall not affect the validity or enforceability of this Agreement in any manner.

15.3. Survival

Termination of this Agreement:

(a) shall not relieve the Concessionaire or Concessioning Authority of any obligations already incurred hereunder which expressly or by implication survives Termination hereof; and

(b) except as otherwise provided in any provision of the Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party, prior to the effectiveness of such Termination or arising out of such Termination.

15.4. Amendments

The Agreement and the Schedules together constitute a complete and exclusive

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understanding of the terms of the Agreement between the Parties on the subject hereof and no amendment or modification hereto shall be valid and effective unless agreed to by all the Parties hereto and evidenced in writing.

15.5. Notices

Unless otherwise stated, notices to be given under the Agreement including but not limited to a notice of waiver of any term, breach of any term of the Agreement and termination of this Agreement, shall be in writing and shall be given by hand delivery, recognised international courier, mail, telex or facsimile transmission and delivered or transmitted to the Parties at their respective addresses set forth below:

If to the Concessioning Authority

[insert designation]

Address: [●]

Phone: [●]

E-mail: [●]

If to the Concessionaire:

[insert designation],

[●]

Address: [●]

Phone: [●]

E-mail: [●]

Or such address, telex number, or facsimile number as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered.

(a) In the case of any communication made by letter, when delivered by hand, by recognised international courier or by mail (registered, return receipt requested) at that address; and

(b) In the case of any communication made by telex or facsimile, when transmitted properly addressed to such telex number or facsimile number.

15.6. Severability

If for any reason whatsoever any provision of the Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other

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instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties shall negotiate in good faith with a view to agreeing upon one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable. Provided failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.

15.7. No Partnership

Nothing contained in the Agreement shall be construed or interpreted as constituting a partnership between the Parties as contemplated either in the Partnership Act, 1932 or Limited Liability Partnership Act, 2017. None of the Parties shall have any authority to bind the other Parties in any manner whatsoever.

15.8. Language

All notices required to be given under the Agreement and all communications, documentation and proceedings which are in any way relevant to the Agreement shall be in writing and in English language.

15.9. Exclusion of Implied Warranties etc.

The Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties and any representation by any Party not contained in a binding legal agreement executed by the Parties.

Counterparts

The Agreement may be executed in more than one counterparts, each of which when executed and delivered shall constitute an original of the Agreement but shall together constitute one and the same Agreement.

15.10. General Liability and Indemnity

(a) The Concessionaire shall indemnify, defend and hold the Concessioning Authority and the Government of Pakistan harmless against any and all proceedings, actions and Third Party claims arising out of a breach by Concessionaire and its Sub-Contractors, agents, employees (staff of the school/ Private Party), etc. of any of its obligations under the Agreement except to the extent that Concessioning Authority shall fulfil its obligations under this Agreement if any such claim has arisen due to its breach of the terms and conditions contained herein.

(b) The Concessioning Authority shall, indemnify, defend and hold harmless the Concessionaire against any and all proceedings, actions, Third Party claims for loss, damage and expense of whatever kind and nature arising out of breach by the

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Concessioning Authority, its officers, servants and agents of any obligations of the Concessioning Authority under the Agreement except to the extent that any such claim has arisen due to breach by the Concessionaire of any of its obligations under this Agreement.

IN WITNESS WHEREOF each of the Parties has caused this Agreement to be executed and delivered on its behalf by its authorized representative as of the date first above written:

[*Signature pages to follow]*

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16. SCHEDULE 1

16.1. STUDENTS INFORMATION

CATEGORY A

S.No	Institute Name	Location	Current No. of Total Students	Current PR Employees Children	Quota for PR Employees Children
1	P.R. Boys High School, Risalpur	--	--	--	--
	Total				

CATEGORY B

S.No	Institute Name	Location	Current No. of Total Students	Current PR Employees Children	Quota for PR Employees Children
1	P.R. Secondary School, Kotri	Karachi	Nil	Nil	Nil
2	P.R. Secondary School, Pipri	Karachi	Nil	Nil	Nil
3	P.R. Primary School, Faisalabad	Faisalabad	Nil	Nil	Nil
	Total				

CATEGORY C

S.No	Institute Name	Location	Current No. of Total Students	Current PR Employees Children	Quota for PR Employees Children
1	P.R Closed/Non-Operational Industrial School, Quetta	Quetta	Nil	Nil	Nil
2	P.R Girls Primary School Mayo Garden, Lahore	Lahore	Nil	Nil	Nil
3	P.R Zubaida Industrial School, Lahore	Lahore	Nil	Nil	Nil
	Total			Nil	Nil

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17. SCHEDULE 2

17.1. PROJECT PERFORMANCE SECURITY (BANK GUARANTEE)[23]

[Bank Letterhead]

Beneficiary:
Pakistan Railways
[*Concessioning Authority/Beneficiary Address*]

[Place and Date]

Dear Sirs,

1. We refer to the concession agreement dated [*date of execution*] (the **"Concession Agreement**") by and among the (i) the Pakistan Railways ("**PR**" or the "**Beneficiary**"), organised and existing under the laws of Pakistan having its headquarters at [•], and (iii)[*Concessionaire name*], a company incorporated under the laws of [*place of incorporation*], with its principal office located at [*location of principal office*] (the "**Principal**") in connection with the financing, rehabilitation, up-gradation, operations and maintenance of schools owned by the PR (the "**Project**") for an agreed payment equivalent of Pak Rupees [*Amount in numbers*] (PKR [*amount in words*]) per month (or as adjusted pursuant to the terms of the Concession Agreement, the "**Agreement Price**").

2. We have been informed that the Principal is the contractor under the Concession Agreement, which requires it to obtain a performance bond to secure the performance of its obligations under the Concession Agreement.

3. At the request of the Principal, we the undersigned bank, [*name*] (the "**Bank**"), a bank Company organised under the laws of [*country of incorporation*], with registered office at [*registered office*] hereby irrevocably and unconditionally undertake to pay the Beneficiary, as primary obligor and not as surety, any sum or sums not exceeding in total the amount of PKR [*amount*] (Pak Rupees [*insert amount*] only) (the "**Guaranteed Amount**"), representing (•) percent (•) of the Agreement Price, wholly or partially, forthwith, upon receipt by the Bank from Beneficiary(or any person to which Beneficiary has assigned the benefit of this on-demand performance bond) first demand in writing, and pursuant to one or more demands (provided that such demands and any prior demands do not in the aggregate exceed the Guaranteed Amount) specifying the particular ground for drawdown as provided in this Project Performance Security, without any further proof or documents and notwithstanding any objection by the Principal or by any other party of whatever capacity and without being entitled to enquire whether or not such payment is lawfully due and payable by the Principal.

4. This on-demand performance bond shall be valid from its issuance and remain valid until the Expiry Date (as defined herein).

[2] To be revised based on lenders and the issuing bank's comments.
[3] To be renewed annually.

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5. Any payment under this on-demand performance bond shall be made in Pak Rupees and shall be free of any set-off, counterclaim, taxes, deduction, withholding interest or charges whatsoever. Such demand must be received by the Bank/ Insurance Company on or before the [•] (as extended pursuant to the terms hereof, the "**Expiry Date**"), when this on-demand performance bond shall expire, it shall be returned to the Bank/ Insurance Company.

6. The Bank undertakes to immediately pay the Beneficiary the Guaranteed Amount, without any further proof or documents and notwithstanding any objection by the Principal or by any other party of whatever capacity and without being entitled to enquire whether or not the Principal has become entitled to receive the Notice to Commence or has cured its default under the Concession Agreement, upon receipt by the Bank of demand in writing by the Beneficiary and a written statement of Beneficiary that:

   a. the Notice to Commence has not been issued by the Beneficiary to the Principal=; or

   b. the Principal has defaulted under the Concession Agreement which has triggered a Concessionaire Event of Default.

7. Any demand made by the Beneficiary under this on-demand performance bond shall be given in writing, purportedly signed by a duly authorized officer of the Beneficiary and sent by express courier or by hand addressed to our registered office along with a copy of this on-demand performance bond.

8. The Beneficiary may assign or otherwise transfer, with notice to the Bank/ Insurance Company in writing, without our prior written consent the whole or any part of its benefit and interest in, to their permitted assigns or successors-in-interest.

9. The Bank shall not in any way be released or discharged from any liability under this on-demand performance bond by any invalidity, illegality or unenforceability of the Concession Agreement nor by any alteration, amendment or variation in the terms of the Concession Agreement nor by any allowance of time by the Beneficiary under the Concession Agreement nor by any forbearance or forgiveness or indulgence in respect of any matter or thing concerning the Concession Agreement on the part of the Beneficiary nor by the insolvency, bankruptcy, winding up or reorganization of the Principal or the Beneficiary (or any analogous event or the exercise of any power of disclaimer arising in such circumstances) nor by any dispute or disagreement whatsoever between the Beneficiary and the Principal and the Principal under or in relation to the Concession Agreement.

10. If at any time any one or more of the provisions of this on-demand performance bond is or becomes illegal, invalid or otherwise unenforceable, in any respect neither the legality, validity or enforceability of the remaining provisions of this on-demand performance bond, nor the legality, validity or enforceability of such provision, under the law shall in any way be affected or impaired as a result.

11. This on-demand performance bond is subject to the Uniform Rules for Demand Guarantees, ICC Publication No.758.

12. This on-demand performance bond and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of Pakistan. The parties irrevocably agree that the courts of Pakistan shall have exclusive jurisdiction to settle any

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dispute or claim that arises out of or in connection with this on-demand performance bond or its subject matter or formation (including non-contractual disputes or claims).

13. Except as expressly provided in this on-demand performance bond, nothing in this on-demand performance bond confers or purports to confer on any third party any benefit or any right to enforce any term of this on-demand performance bond.

IN WITNESS WHEREOF, this on-demand performance bond has been executed on the date first above written.

Signed by [*Name of Bank*] acting by [*Name of Authorized Signatory*] [and [*Name of Authorized Signatory*]]

.....

Authorized signatory

.....

[Authorized signatory]

In The Presence Of:

(Signature Of Witness)

(Name Of Witness):

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18. SCHEDULE 3

18.1. INTEGRITY PACT

Chairman/CEO
Pakistan Railways
Lahore, Punjab,
Pakistan

SUBJECT: **CONCESSION AGREEMENT, DATED [-] FOR "REHABILITATION, UPGRADATION OPERATION AND MAINTENANCE OF PAKISTAN RAILWAY CLOSED/NON-OPERATIONAL SCHOOLS" ("THE PROJECT")**

Dear Sir:

1. We, [*Concessionaire*], are entering into a Concession Agreement with the Pakistan Railways ("**PR**"). We hereby declare and affirm that we have not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from the PR or any administrative sub-division or agency thereof or any other entity owned or controlled by PR through any corrupt or fraudulent practices.

2. Without limiting the generality of the foregoing, we represent and warrant that:

   (a) we have fully declared the brokerage, commission, fees etc. paid or payable to anyone and have not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including our sponsors, promoters, owners, officers, directors, shareholders, partners, employees, agents, sub-contractors, subsidiaries, affiliates, representatives, consultants, and advisors any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from the PR, except that which has been expressly declared pursuant to the Concession Agreement;

   (b) We have made and will make full disclosure of all agreements and arrangements (including the Consortium Agreement, where applicable) with all persons in respect of or related to the Project and have not taken any action or will not take any action to circumvent the above declaration, representation or warranty;

   (c) We accept full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty.

3. We understand and agree that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, including the Concession Agreement, without prejudice to any other rights and remedies available to the PR under any law, contract or other instrument, be voidable at the option of the PR.

4. Notwithstanding any rights and remedies exercised by the PR in this regard, we agree to indemnify the PR for any loss or damage incurred by it on account of our corrupt and

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fraudulent practices and further pay compensation to the PR in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by us or any of our sponsors, promoters, owners, officers, directors, shareholders, partners, employees, agents, subcontractors, subsidiaries, affiliates, representatives, consultants, and advisors as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from the PR.

Yours faithfully,

For and on behalf of
The Bidder
Signature:
Name:
Designation:
CNIC:
Address:

In the presence of the following witnesses:

Name:	Name:
Signature:	Signature:
CNIC:	CNIC:

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ESCROW AGREEMENT

This **ESCROW AGREEMENT** is made at [_____] on [_____] (the "Agreement");

BY AND BETWEEN

President of Pakistan through **PAKISTAN RAILWAYS**, a statutory administrative body established by virtue of Railways Act, 1890, through its CEO/Sr.GM/PR and having its Headquarters office at Empress Road, Lahore (hereinafter referred to as the "**Concessioning Authority**" which expression shall, where the context so permits, be deemed to mean and include its successors-in-interest and assigns);

AND

(Company /Firm Name), a company incorporated under the laws of Pakistan and having its registered office at [_____] (hereinafter referred to as the "**Concessionaire**" which expression shall, where the context so permits, be deemed to mean and include its successors-in-interest and assigns);

AND

[Bank Name], banking company incorporated under the laws of Pakistan having its registered office at [_____] (hereinafter referred to as the "**Escrow Agent**" which expression shall where the context so permits, be deemed to mean and include its successors-in-interest and assigns).

(The Concessioning Authority, the Concessionaire and the Escrow Agent are hereinafter collectively referred to as the "Parties" and each individually referred to as a "Party").

WHEREAS:

The Concessioning Authority and the Concessionaire entered into a Concession Agreement dated:_____, hereof (the "Concession Agreement"), pursuant to which the Concessioning Authority granted concession to the Concessionaire to rehabilitate, upgrade, finance, operate, maintain and manage [School Name] for the Concession Period.

Clause 6.1(b) of the Concession Agreement provides that the PR Share of [__%] (___ percent) of the Gross Revenue shall be transferred into a bank account specified by the Concessioning Authority directly on daily basis. For the purposes of this routing requirement, the Parties intend to utilize the **Escrow Account**.

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The Parties have agreed to enter into this Agreement to regulate the respective rights and obligations of the Parties in relation to the escrow arrangement.

NOW, THEREFORE, in consideration of the mutual representations, covenants and promises set forth herein and with the intention to be legally bound the Parties agree and declare as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement (including in the Recitals above), shall have the same meaning as ascribed thereto under the Concession Agreement. In addition:

"Concessionaire Account" means the account of the Concessionaire bearing account number [____] established and maintained with the [____] branch of [____], or such other bank account as may be notified by the Concessionaire to the Escrow Agent in writing;

"Escrow Account" means the joint account of the Concessionaire and the Concessioning Authority bearing account number [_____] established and maintained with the [_____] branch of the Escrow Agent;

"Fees" means the fees payable by the Students enrolled for attending the Project School;

"PR Account" means the account of the Concessioning Authority bearing account number [____] established and maintained with the [____] branch of [____], or such other bank account as may be notified by the Concessioning Authority to the Escrow Agent in writing; and

"Students" means the students enrolled in the School.

2. APPOINTMENT OF ESCROW AGENT AND ESCROW ACCOUNT

a) The Concessionaire and the Concessioning Authority hereby appoint and designate the Escrow Agent for purposes hereinafter set forth and the Escrow Agent hereby accepts such appointment.

b) The Concessionaire and the Concessioning Authority confirm that the Escrow Account has been opened with the Escrow Agent.

c) The Concessionaire and the Concessioning Authority irrevocably and unconditionally authorize and instruct the Escrow Agent to operate the Escrow Account in the manner specified herein and in order to give effect to the provisions of this Agreement.

d) The Concessionaire and the Concessioning Authority confirm and accept that the irrevocable and unconditional authority and instructions given by them to the Escrow Agent in terms hereof have been issued for valuable consideration and cannot be revoked or modified except with prior written permission of both the Concessionaire and the Concessioning Authority.

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e) For the purposes of its services under this Agreement, the Escrow Agent shall be paid a fee of PKR [_____]/- (Pak Rupees [___]) which shall be paid by the Concessionaire and shall be payable [by, on or before] during the currency of the agreement.

3. ESCROW ARRANGEMENT

a) The Concessionaire hereby agrees and acknowledges that it shall issue irrevocable instructions to the Students, through their parents / legal guardians who will be paying the Fees on their behalf, to ensure that the Fees are deposited in the Escrow Account.

b) Any earning received in cash by the Concessionaire from students, whether related to the approved fee structure, examination fees, sports activities, or any other allied or extracurricular activities shall be deposited into the Escrow Account and duly recorded in the software database for audit and reporting purposes to the Bank and the Concessioning Authority not later than 24 hours from receipt.

c) On a daily basis, at [05:00, P.M.] on each day, the Escrow Agent shall transfer all funds available in the Escrow Account (if any) to the Concessionaire and the Concessioning Authority in the following manner:

   (i) [___] percent of all available funds to be transferred to the PR Account; and

   (ii) [___] percent of all available funds to be transferred to the Concessionaire Account.

d) In the event of default in payment of PR Share for up to one month, a penalty of 1% of the gross revenue per day shall be imposed. For any default continuing into the second month, a penalty of 1.5% of the gross revenue per day shall be imposed. The applicable penalty amount shall be deducted by the escrow account upon the first availability of credit.

4. TERM AND TERMINATION

a) This Agreement shall commence from the date of commencement of the Concession Agreement and shall stand automatically terminated upon termination of the Concession Agreement, unless terminated earlier on the mutual written consent of the Concessionaire and the Concessioning Authority.

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5. NOTICES

a) Method of Giving Notices

i. A notice, consent, approval or other communication (each a "Notice") under this Agreement shall be in writing, signed by or on behalf of the person giving it, addressed to the person to whom it is to be given and:

- delivered by messenger or Courier;
- sent by registered mail;
- sent by email

to that person's address.

b) Time of Receipt

a) A Notice given to a person in accordance with this Clause is treated as having been given and received:

- if delivered, on the day of delivery if delivered before 3:00 PM on a Business Day, otherwise on the next Business Day;
- if sent by registered mail on the third day after the letter containing the Notice, duly stamped, is posted.
- if sent by email and message delivery / relayed confirmation is receipt by the sender, on the day of transmission if that confirmation states that the email was delivered / relayed to the receiver before 3:00 PM on a Business Day, otherwise on the next Business Day.

c) Address for Notices

For the purposes of this Clause, a party (the "sender") may take the address and facsimile number of another party (the "recipient") to be:

- the address and number set out in Schedule A; or
- where the recipient notifies the sender of another address or number, the last address or number so notified to it.

6. MISCELLANEOUS

a) If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. In such case, the Parties shall make every effort to replace the ineffective provision with a new provision which has the same effect, or as approximate an effect as possible as the said provision.

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b) No provision of this Agreement may be amended or waived except with the prior written consent of each of the Parties hereto.

c) No failure to exercise, nor any delay in exercising any right or remedy hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

d) This Agreement shall form an integral part of the **Concession Agreement.**

e) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. RESIGNATION OR REMOVAL OF THE ESCROW AGENT

a) The Escrow Agent may resign from its duties under this Agreement by giving not less than [30 (thirty)] days' prior written notice to the Concessioning Authority and the Concessionaire. However, such resignation shall not take effect until a successor escrow agent has been duly appointed, a replacement escrow account has been duly opened with the successor escrow agent and all amounts held in the Escrow Account (if any) have been transferred to such replacement escrow account in accordance with Clause 7.3 below.

b) The Escrow Agent may be removed at any time by joint written notice of the Concessioning Authority and the Concessionaire. However, such removal shall not take effect until a successor escrow agent has been duly appointed, a replacement escrow account has been duly opened with the successor escrow agent and all amounts held in the Escrow Account (if any) have been transferred to such replacement escrow account in accordance with Clause 7.3 below.

c) Upon the resignation or removal of the Escrow Agent, the Concessioning Authority and the Concessionaire shall, within [30 (thirty)] days of such notice:

- jointly appoint a successor escrow agent acceptable to both the Concessioning Authority and the Concessionaire;
- open a joint escrow account with the successor escrow agent; and
- transfer all amounts held in the Escrow Account (if any) to such replacement escrow account.

Further, the Concessionaire shall issue irrevocable instructions to the Students, through their parents / legal guardians who will be paying the Fees on their behalf, to ensure that the Fees are deposited in the replacement escrow account.

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d) Upon completion of the requirements of Clause 7.3 above, the Escrow Agent's obligations under this Agreement shall cease. However, until such time that the aforementioned requirements are fulfilled, the Escrow Agent shall continue to perform its obligations under this Agreement.

8. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed and governed by the laws of the Islamic Republic of Pakistan.

IN WITNESS WHEREOF; the Parties hereto have executed this Agreement on the date first above written.

For and on behalf	For and on behalf	For and on behalf
PAKISTAN RAILWAYS (As Concessioning Authority)	[Concessionaire Name] (As the Concessionaire)	[Bank Name] (As the Escrow Agent)
Name: _____	Name: _____	Name: _____
Designation: _____	Designation: _____	Designation: _____
CNIC No: _____	CNIC No: _____	CNIC No: _____

In presence of the following Witnesses:

Name: _____	Name: _____	Name: _____
Designation: _____	Designation: _____	Designation: _____
CNIC No: _____	CNIC No: _____	CNIC No: _____

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SCHEDULE A

ADDRESSES AND CONTACT DETAILS FOR NOTICE PURPOSES:

Sr. No	Party	Attention	Designation	Address	Email
1	**Pakistan Railways**				
2	**Concessionaire (Name)**				
3	**Escrow Agent (Name)**				

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