

**CONTRACT FOR CONSULTANCY OF SPECTRUM AUCTION FOR
NEXT GENERATION MOBILE SERVICES IN PAKISTAN 2013-14**

(LUMP-SUM)

between

Pakistan Telecommunication Authority (PTA)

and

[name of the CONSULTANT]

Dated: _____

**Form of CONTRACT
Lump-Sum**

This CONTRACT for providing Consultancy for the auction of Next Generation Mobile Spectrum (hereinafter called the “CONTRACT”) as an integral part of the RFP, is made on the *[day]* day of the month of < >, 2013, between, on the one part, Pakistan Telecommunication Authority, Headquarters, F-5/1, Islamabad, Pakistan, (hereinafter called the “CLIENT”) and, on the other part, *[name of Consultancy firm]* (hereinafter called the “CONSULTANT”) and both parts jointly and collectively may be referred to as the “PARTIES”

WHEREAS

- (a) CLIENT has requested the CONSULTANT to provide certain consulting services (hereinafter called the “SERVICES”) as defined in this CONTRACT and defined in the RFP as an integral part;
- (b) the CONSULTANT, having represented to the CLIENT that it has the required professional skills, experience personnel and technical resources, has agreed to provide the Services on the terms and conditions set forth in this CONTRACT and the RFP;

NOW THEREFORE the parties hereto hereby agree as follows:

- 1. The following documents attached hereto shall be deemed to form an integral part of this CONTRACT:
 - (a) The General Conditions of CONTRACT;
 - (b) The Special Conditions of CONTRACT;
 - (c) Appendix A: Description of SERVICES
 - (d) Appendix B: Reporting Requirements
 - (e) Appendix C: Key Personnel
 - (f) Appendix D: Breakdown of CONTRACT Price in Foreign Currency
 - (g) Appendix E: Breakdown of CONTRACT Price in Local Currency
 - (h) Appendix F: Services and Facilities Provided by the CLIENT
 - (i) Appendix G: Form of Advance Payment Guarantee
 - (j) Appendix H: Form of Performance Guarantee

- (k) Appendix I: Integrity Pact
- 2. The mutual rights and obligations of the CLIENT and the CONSULTANT shall be as set forth in the CONTRACT and the RFP as integral part, in particular:
 - (a) the CONSULTANT(s) shall carry out the Services in accordance with the provisions of the CONTRACT and the RFP as an integral part; and
 - (b) the CLIENT shall make payments to the CONSULTANT(s) in accordance with the provisions of the CONTRACT and the RFP as an integral part.

IN WITNESS WHEREOF, the Parties hereto have caused this CONTRACT to be signed in their respective names as of the day and year first above written.

For and on behalf of Pakistan Telecommunication Authority

[Authorized Representative]

- 1.
- 2.

For and on behalf of *[name of CONSULTANT]*

[Authorized Representative]

[Note: If the CONSULTANT consists of more than one entity, all these entities should appear as signatories, e.g., in the following manner:]

For and on behalf of each of the Members of the CONSULTANT

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

II. General Conditions of CONTRACT

1. GENERAL PROVISIONS

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this CONTRACT have the following meanings:

- (a) “Applicable Law” means the laws and any other instruments having the force of law in Pakistan from time to time.
- (b) “CONSULTANT” means any Consultant(s)/Consulting Firms/Consortium etc to be providing SERVICES to the CLIENT under the CONTRACT.
- (c) “CONTRACT” means the CONTRACT signed by the Parties and all the attached documents listed in its Clause 1, i.e. these General Conditions (GC), the Special Conditions (SC), and the Appendices.
- (d) “CONTRACT Price” means the total price to be paid for the performance of the Services, in accordance with Clause 6;
- (e) “Effective Date” means the date on which this CONTRACT comes into force and effect pursuant to Clause GC 2.1.
- (f) “Foreign Currency” means any currency other than the currency of the CLIENT’s country.
- (g) “GC” means these General Conditions of this CONTRACT.
- (h) “Federal Government” means the Government of the CLIENT’s country i.e. Pakistan.
- (i) “Local Currency” means the currency of the CLIENT’s country i.e. Pakistan Rupee.
- (j) “Member” means any of the entities that make up the joint venture/consortium/association, and “Members” means all these entities.
- (k) “Party” means the CLIENT or the CONSULTANT, as the case may be, and “Parties” means both of them.
- (l) “Personnel” means persons hired by the CONSULTANT and assigned to the performance of the Services or any part thereof.
- (m) “SC” means the Special Conditions of CONTRACT by which the GC may be amended or supplemented.
- (n) “Services” means the work to be performed by the CONSULTANT pursuant to this CONTRACT and the RFP, as described in

Appendix A hereto.

(o) "In writing" means communicated in written form with or without of proof of receipt.

- 1.2 Law Governing CONTRACT** This CONTRACT, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Laws of Pakistan.
- 1.3 Language** This CONTRACT has been executed in the language specified in the SC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this CONTRACT.
- 1.4 Notices**
- 1.4.1** Any notice, request or consent required or permitted to be given or made pursuant to this CONTRACT shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SC.
- 1.4.2** A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SC.
- 1.5 Location** The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in Pakistan or elsewhere, as the CLIENT may require or approve.
- 1.6 Authority of Member in Charge** In case the CONSULTANT consists of a joint venture/ consortium/ association of more than one entity, the Members hereby authorize the entity specified in the SC to act on their behalf in exercising all the CONSULTANT's rights and obligations towards the CLIENT under this CONTRACT, including without limitation the receiving of instructions and payments from the CLIENT.
- 1.7 Authorized Representatives** Any action required or permitted to be taken, and any document required or permitted to be executed under this CONTRACT by the CLIENT or the CONSULTANT may be taken or executed by the officials specified in the SC.

- 1.8 Taxes and Duties** The CONSULTANT and their Personnel shall pay such taxes, duties, fees, and other impositions levied under the Applicable Laws of Pakistan as specified in the SC, the amount of which is deemed to have been included in the CONTRACT Price and any taxes, duties, fees and other impositions that may be levied by the Government after the signing of this CONTRACT.
- 1.9 Fraud and Corruption** If the CLIENT determines that the CONSULTANT has engaged in corrupt, fraudulent, collusive coercive, obstructive or continued delaying practices, in competing for or in executing the CONTRACT, then the CLIENT may, after giving 14 days notice to the CONSULTANT, terminate the CONSULTANT's employment under the CONTRACT, and the provisions of Clause 2 shall apply as if such expulsion had been made under Sub-Clause 2.6.1(c).
- Should any personnel of the CONSULTANT be determined to have engaged in corrupt, fraudulent, collusive, coercive, obstructive or continued delaying practice during the execution of the CONTRACT, then such personnel shall be removed in accordance with Sub-Clause 4.2.
- 1.9.1 Definitions** For the purposes of this Sub-Clause, the terms set-forth below are defined as follows:
- (i) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - (ii) “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - (iii) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - (iv) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (v) “obstructive practice” is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from

pursuing the investigation; or

(bb) acts intended to materially impede the CLIENT's inspection and audit rights provided for under Clause 3.8.

(vi) "Continued Delaying practice" is a practice observed by the CLIENT whereby the CONSULTANT is found delaying the deliverables as identified in the RFP/CONTRACT; when compared against the project timeline of the RFP/CONTRACT.

**1.9.2
Measures to be
Taken**

The CLIENT:

(i) will cancel the CONTRACT if it determines at any time that representatives of the CONSULTANT were engaged in corrupt, fraudulent, collusive or coercive practices during the selection process or the execution of the CONTRACT;

(ii) will sanction the CONSULTANT, including declaring the CONSULTANT ineligible, either indefinitely or for a stated period of time, to be awarded any CONTRACT if it at any time determines that the CONSULTANT has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, this CONTRACT;

**1.9.3
Commissions
and
Fees**

The CLIENT will require the successful CONSULTANT to disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the selection process or execution of the CONTRACT. The information disclosed must include at least the name and contact information of the agent, representative, or commission agent, the amount and currency, and the purpose of the commission or fee.

**2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF
CONTRACT**

**2.1 Effectiveness
of
CONTRACT**

This CONTRACT shall come into effect on the date the CONTRACT is signed by both Parties or such other later date as may be stated in the SC. The date the CONTRACT comes into effect is defined as the Effective Date.

**2.2 Commence-
ment of
Services**

The CONSULTANT shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SC.

**2.3 Expiration of
CONTRACT**

Unless terminated earlier pursuant to Clause GC 2.6 hereof, this CONTRACT shall expire at the end of such time period after the

Effective Date as specified in the SC.

2.4 Modifications or Variations Any modification or variation of the terms and conditions of this CONTRACT, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

2.5 Force Majeure

2.5.1 Definition For the purposes of this CONTRACT, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the CONTRACT impossible or so impractical as to be considered impossible under the circumstances.

2.5.2 No Breach of CONTRACT The failure of a Party to fulfill any of its obligations under the CONTRACT shall not be considered to be a breach of, or default under, this CONTRACT insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this CONTRACT, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.5.3 Extension of Time Any period within which a Party shall, pursuant to this CONTRACT, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.5.4 Payments During the period of their inability to perform the Services as a result of an event of Force Majeure, the CONSULTANT shall be entitled to continue to be paid under the terms of this CONTRACT for the work done, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Termination

2.6.1 By the CLIENT The CLIENT may terminate this CONTRACT in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause GC 2.6.1. In such an occurrence the CLIENT shall give a not less than fifteen (15) days’ written notice of termination to the CONSULTANT, and thirty (30) days’ in the case of the event referred to in (e), and/or as mentioned in the RFP.

(a) If the CONSULTANT does not remedy a failure in the performance of their obligations under the CONTRACT, within fifteen (15) days after being notified or within any further period as

the CLIENT may have subsequently approved in writing.

- (b) If the CONSULTANT becomes insolvent or bankrupt.
- (c) If the CONSULTANT, in the judgment of the CLIENT has engaged in corrupt or fraudulent practices in competing for or in executing the CONTRACT.
- (d) If, as a result of Force Majeure, the CONSULTANT is unable to perform a material portion of the Services for a period of not less than thirty (30) days.
- (e) If the CLIENT, in its sole discretion and for any reason whatsoever, decides to terminate this CONTRACT.
- (f) If the CONSULTANT fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.

2.6.2 By the CONSULTANT The CONSULTANTS may terminate this CONTRACT, by not less than fifteen (15) days' written notice to the CLIENT, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause GC 2.6.2:

- (a) If the CLIENT fails to pay any money due to the CONSULTANT pursuant to this CONTRACT and not subject to dispute pursuant to Clause GC 7 hereof within forty-five (45) days after receiving written notice from the CONSULTANT that such payment is overdue.
- (b) If, as a result of Force Majeure, the CONSULTANT is unable to perform a material portion of the Services for a period of not less than thirty (30) days.
- (c) If the CLIENT fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

2.6.3 Payment upon Termination Upon termination of this CONTRACT pursuant to Clauses GC 2.6.1 or GC 2.6.2, the CLIENT shall make the following payments to the CONSULTANT:

- (a) payment pursuant to Clause GC 6 for Services satisfactorily performed as per Schedule of payments given in Appendix III prior to the effective date of termination;
- (b) except in the case of termination pursuant to paragraphs (a) through

2.6.4 Liquidated Damages

(c), and (f) of Clause GC 2.6.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the CONTRACT, including the cost of the return travel of the Personnel.

If the CONSULTANT fails to perform under the terms and conditions of this CONTRACT within the specified timelines for any reason whatsoever, the CLIENT shall be entitled to specific liquidated damages as follows:

- a) If the CONTRACT is not executed within the stipulated time for each working day delayed, the CONSULTANT shall be liable to pay in the amount of US\$ ____ per day to the CLIENT to be calculated by dividing total CONTRACT value by the total number of days of the CONTRACT multiplied by 2 for the breach.
- b) Failure of the CONSULTANT to complete the project within 100 days shall be deemed to be a total failure of consideration on part of the CONSULTANT and the CLIENT may terminate the CONTRACT without any liability or responsibility, and the CONSULTANT shall return any or all amounts paid by the CLIENT up to the date of termination without any deduction or set-off.
- c) The damages shall be determined by the CLIENT and shall not exceed the value of this CONTRACT.

Any and all remedies available to the CLIENT for defective or delayed performance or non-performance of obligations by the CONSULTANT shall be exclusive of any other remedies for such default and the exercise by the CLIENT of any one remedy shall not constitute a waiver by the CLIENT of any other remedy available to the CLIENT under this CONTRACT or the applicable laws

3. OBLIGATIONS OF THE CONSULTANT

3.1 General

3.1.1 Standard of Performance

The CONSULTANT shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The CONSULTANT shall always act, in respect of any matter

relating to this CONTRACT or to the Services, as faithful advisers to the CLIENT, and shall at all times support and safeguard the CLIENT's legitimate interests in any dealings with third Parties.

- 3.2 Conflict of Interests** The CONSULTANT shall hold the CLIENT's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.
- 3.2.1 CONSULTANTs not to Benefit from Commissions, Discounts, etc.** The payment of the CONSULTANT pursuant to Clause GC 6 shall constitute the CONSULTANT's only payment in connection with this CONTRACT or the Services, and the CONSULTANT shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this CONTRACT or to the Services or in the discharge of their obligations under the CONTRACT, and the CONSULTANT shall use their best efforts to ensure that the Personnel, representatives, and agents of either of them similarly shall not receive any such additional payment.
- 3.2.2 CONSULTANT and Affiliates not to be Otherwise interested in Project** The CONSULTANT agrees that, during the term of this CONTRACT and after its termination, the CONSULTANT and any entity affiliated with the CONSULTANT, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the CONSULTANT's Services for the preparation or implementation of the project.
- 3.2.3 Prohibition of Conflicting Activities** The CONSULTANT shall not engage, and shall cause their Personnel not to engage, either directly or indirectly, in any business or professional activities which would conflict with the activities assigned to them under this CONTRACT.
- 3.3 Confidentiality** Except with the prior written consent of the CLIENT, the CONSULTANT and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the CONSULTANT and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.
- 3.4 Insurance to be Taken Out by the CONSULTANT** The CONSULTANT (a) shall take out and maintain at their own cost but on terms and conditions approved by the CLIENT, insurance against the risks, and for the coverage, as shall be specified in the SC; and (b) at the CLIENT's request, shall provide evidence to the CLIENT showing that

such insurance has been taken out and maintained and that the current premiums have been paid.

- 3.5** **CONSULTANT's Actions Requiring CLIENT's Prior Approval**
- The CONSULTANT shall obtain the CLIENT's prior approval in writing before taking any of the following actions:
- (a) entering into a subcontract for the performance of any part of the Services,
 - (b) appointing such members of the Personnel not listed by name in Appendix C, and
 - (c) Any other action that may be specified in the SC.
- 3.6 Reporting Obligations**
- (a) The CONSULTANT shall submit to the CLIENT the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix.
 - (b) Final reports shall be delivered on CD ROM and USB in addition to the hard copies specified in said Appendix.
- 3.7 Documents Prepared by the CONSULTANT to be the Property of the CLIENT**
- (a) All plans, drawings, specifications, designs, reports, other documents and software submitted by the CONSULTANT under this CONTRACT shall become and remain the property of the CLIENT, and the CONSULTANT shall, not later than upon termination or expiration of this CONTRACT, deliver all such documents to the CLIENT, together with a detailed inventory thereof.
 - (b) The CONSULTANT may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.
- 3.8 Accounting, Inspection and Auditing**
- 3.** The CONSULTANT shall permit the CLIENT and/or persons appointed by the CLIENT to inspect its accounts and records as well as those of its Personnel relating to the performance of the CONTRACT, and to have such accounts and records audited by auditors appointed by the CLIENT if required by the CLIENT. The CONSULTANT's attention is drawn to Clause 1.9.1 which provides, inter alia, that acts intended to materially impede the exercise of the CLIENT's inspection and audit rights provided for under Clause 3.8 constitute a prohibited practice subject to CONTRACT termination.
- The CONSULTANT shall sign an 'Integrity Pact' in the form as set forth in Appendix -I hereto.
- 3.9 Integrity Pact**

4. CONSULTANT's PERSONNEL

- 4.1 Description of Personnel** The CONSULTANT shall employ and provide such qualified and experienced Personnel as are required to carry out the Services. The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the carrying out of the Services of the CONSULTANT's Key Personnel are described in Appendix C. The Key Personnel listed by title as well as by name in Appendix C are hereby approved by the CLIENT.
- 4.2 Removal and/or Replacement of Personnel**
- (a) Except as the CLIENT may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the CONSULTANT, limited to death or medical disability, it becomes necessary to replace any of the Key Personnel, the CONSULTANT shall provide as a replacement a person of equivalent or better qualifications.
 - (b) If the CLIENT finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the CONSULTANT shall, at the CLIENT's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the CLIENT.
 - (c) The CONSULTANT shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.
 - (d) Preferably all Key Personnel of the CONSULTANT and mandatorily the Team Leader of the project with at least one more Key Personnel shall have a valid passport and visa to travel to Pakistan.

5. OBLIGATIONS OF THE CLIENT

- 5.1 Assistance and Exemptions** The CLIENT shall use its best efforts to ensure that the Government shall provide the CONSULTANT such assistance and exemptions as specified in the SC.
- 5.2 Change in the Applicable Law related to taxes and** If, after the date of this CONTRACT, there is any change in Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the CONSULTANT in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the

duties CONSULTANT under this CONTRACT shall be increased or decreased accordingly by agreement between the parties, and corresponding adjustments shall be made to the amounts referred to in Clauses GC 6.2 (a) or (b), as the case may be.

5.2 Services and Facilities The CLIENT shall make available free of charge to the CONSULTANT the Services and Facilities listed under Appendix F.

6. PAYMENTS TO THE CONSULTANT

6.1 Lump-Sum Payment The total payment due to the CONSULTANT shall not exceed the CONTRACT Price which is an all inclusive fixed lump-sum covering all costs required to carry out the Services described in Appendix A. The CONTRACT Price may only be increased above the amounts stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.

6.2 CONTRACT Price (a) The price payable in foreign currency is set forth in the SC.
(b) The price payable in local currency is set forth in the SC, which shall be calculated as per the exchange rate given on the website of National Bank of Pakistan at www.nbp.gov.pk on 12 November 2013 (date of submission of bid)

6.3 Payment for Additional Services For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.4, a breakdown of the lump-sum price is provided in Appendices D and E.

6.4 Terms and Conditions of Payment Payments will be made to the account of the CONSULTANT and according to the payment schedule stated in the SC. The payment shall be made after the conditions listed in the SC for such payment have been met, and the CONSULTANT has submitted an invoice to the CLIENT specifying the amount due.

Unless otherwise stated in the SC, the first payment shall be made against the provision by the CONSULTANT of a bank guarantee for the same amount, and shall be valid for the period stated in the SC. Such guarantee shall be in the form set forth in Appendix G hereto.

The CONSULTANT is further required to submit a performance guarantee of an amount equal to 10% of the CONTRACT Price as stated in GC 6.2 as an assurance in the event of failure to perform its obligations under the CONTRACT by delaying the performance during the term of the CONTRACT. Such guarantee shall be in the form set forth in Appendix H hereto, and submitted on a non-judicial stamp paper as the CLIENT shall have approved in writing.

All payments shall be made on submission of a written invoice as per Schedule of Payments. The payment shall be due within thirty (30) days of receipt of invoice. Payments against reports submitted but which require approval shall be payable within thirty (3) days of the approval but not later than forty-five (45) days.

6.5 Interest on Delayed Payments

If the CLIENT has delayed payments beyond thirty (30) days after the due date stated in the Clause SC 6.4, interest shall be paid to the CONSULTANT for each day of delay at the rate stated in the SC.

7. GOOD FAITH

7.1 Good Faith

The Parties undertake to act in good faith with respect to each other's rights under this CONTRACT and to adopt all reasonable measures to ensure the realization of the objectives of this CONTRACT.

8. SETTLEMENT OF DISPUTES

8.1 Amicable Settlement

The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the CONTRACT and the success of the assignment. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this CONTRACT or its interpretation.

8.2 Dispute Resolution

Any dispute between the Parties as to matters arising pursuant to this CONTRACT that cannot be settled amicably within fifteen (15) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC.

If dispute resolution goes beyond 90 days and is decided in favour of the CONSULTANT, the interest will be paid on the rate of 2% per annum.

III. Special Conditions of CONTRACT

(Clauses in brackets { } are optional; all notes should be deleted in final text)

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of CONTRACT
1.3	The language/s is English.
1.4	<p>The addresses are:</p> <p>CLIENT: Pakistan Telecommunication Authority, Head Quarters Building, 2nd Floor, F-5/1, Islamabad.</p> <p>Attention: Secretary Committee Spectrum Auction for Next Generation Mobile Services</p> <p>Tel : +92-51-2878128</p> <p>Facsimile: +92-51-2878129</p> <p>Cell : +92-303-3332370</p> <p>E-mail: consultancy@pta.gov.pk</p> <p>CONSULTANT: _____</p> <p style="text-align: center;">_____</p> <p>Authorized Representative: _____</p> <p>(in case of Consortium): _____</p> <p>Attention: _____</p> <p>Tel: _____</p> <p>Cell: _____</p> <p>Facsimile: _____</p> <p>E-mail: _____</p>

1.6	{The Member in Charge is <i>[insert name of member]</i> }
1.7	The Authorized Representatives are: For the CLIENT: _____ For the CONSULTANT: _____
1.8	The CONSULTANT shall be liable to pay all taxes and duties in accordance with the laws of Islamic Republic of Pakistan.
2.1	The Effective Date is <i>[insert date]</i> .
2.2	The date for the commencement of Services is immediately upon Effective Date of CONTRACT <i>[insert date]</i> .
2.3	The time period shall be <i>[insert time period, e.g.: 45 days]</i> .
3.4	The risks and the coverage shall be: Professional Liability for an amount not less than the CONTRACT Price. The risks and coverage for all other liabilities, losses etc. shall be the responsibility of the CONSULTANT.
3.5 (c)	The CONSULTANT shall not provide Consultancy Services of similar nature to any fixed-line or mobile operators of Pakistan, including its parent, subsidiaries or associates in Pakistan or abroad, for at least one year from the date of completion of this consultancy, unless otherwise permitted by the Authority.
3.7 (b)	The CONSULTANT shall not use these documents and software for purposes unrelated to this CONTRACT without the prior written approval of the CLIENT.
6.2(a)	The amount in foreign currency is <i>[insert amount]</i> .
6.2(b)	The amount in local currency is <i>[insert amount]</i> .

<p>6.4</p>	<p>The accounts are:</p> <p style="padding-left: 40px;">for foreign currency: <i>[insert account]</i></p> <p>Payments shall be made according to the following schedule:</p> <ul style="list-style-type: none"> (a) Ten (10) percent of the CONTRACT Price shall be paid on the Effective date (d) of the CONTRACT against the submission of a bank guarantee for the same. (b) Five (5) percent of the lump-sum amount shall be paid upon approval of the report on the review of work already completed by the CLIENT and review of phased roll out obligations and Quality of Service parameters. (c) Ten (10) percent of the lump-sum amount shall be paid upon approval of the report on assessment of Pakistan’s Telecom market place, including broadband, for the next fifteen (15) years. (d) Ten (10) percent of the lump-sum amount shall be paid upon approval of the detailed report on the auction methodology and processes for the award of license(s). (e) Ten (10) percent of the lump-sum amount shall be paid upon approval of the detailed calculation of the base and reserve price for blocks of next generation Mobile spectrum and license, keeping in mind the valuation of this spectrum, and the CONSULTANT analysis report on the potential impact on auction price with respect to upfront payment of bid price vs. staggered payment for the next fifteen years. This report shall be approved by the CLIENT after the auction date of Next Generation Mobile Services. (f) Ten (10) percent of the lump-sum amount shall be paid to the CONSULTANT after five meetings with the top level executives such as Chairman/CEOs of potential telecom investors/credible operators have been held. (g) Ten (10) percent of the lump-sum amount shall be paid on provision of the agreed auction software and approval of the final detailed report submitted by the CONSULTANT. (h) Thirty Five (35) percent of the lump-sum amount shall be paid on award of new licenses (Date of Auction + 30 days). (i) The bank guarantee against the advance payment shall be released after the award of spectrum and issuance of license / addendum to the license to the winning bidders.
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6.5	If the CLIENT delays the payment beyond 30 days from the receipt of invoice after submission of the required report or completion of the required specific deliverables, interest shall be paid by the CLIENT to the CONSULTANT for each day of the delay at the rate of 2% per annum.
8.1	Disputes shall be settled by arbitration in accordance with the provisions of the Arbitration Act, 1940.
	<p><u>Miscellaneous.</u> In any arbitration proceeding hereunder:</p> <ul style="list-style-type: none"> (a) proceedings shall, unless otherwise agreed by the Parties, be held in Islamabad; (b) the English language shall be the official language for all purposes; and (c) the decision of the arbitrator shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.

IV. Appendices

APPENDIX A – DESCRIPTION OF SERVICES

The objectives of this Spectrum Auction Advisory Consultancy are to review the already completed processes for auction, assessment of Pakistan's Telecom market place for auction of Next Generation Mobile Services, calculation of a base and reserve price for each license / spectrum, achieve optimal results through successful completion of the Spectrum Auction. The broad objectives of this consultancy include:

- Review of the already completed processes.
- Dissemination of timely and accurate information to stakeholders and attracting investors
- Professional and successful round of auctions in a transparent manner while averting the possible collusion and ensuring competition and transparency in the auction process
- Efficient use of time and resources, ensuring completion of all tasks including completion of auction process and award of licenses as per the already scheduled timeline.

The specific deliverables are:

- a. Meet all requirements of the GoP Policy directive of 7th October, 2013 and suggest essential improvements.
- b. Recommend any changes in the provisions of above mentioned GoP Policy directive.
- c. A Report of the review of processes already completed and suggests changes.
- d. An assessment of Pakistan's Telecom marketplace including broadband, for the next 15 years.
- e. A Detailed Report on the number & size of blocks for the award of licenses for the available Spectrum considering Pakistani market and opportunities
- f. Detailed calculation & recommendations for the base and reserve price for all variations recommended against the above mentioned deliverable, keeping in mind the valuation of the spectrum for the next 15 years.
- g. While recommending above, submit a report on benefits of upfront payments versus staggered auction winning price payment over a period of 5 years.
- h. Develop & Recommend most appropriate Auction methodology, plan and processes
- i. Design & management of the auction process minimizing collusion among bidders. Develop a license template for new and existing bidders. Ways of merging the new license of the incumbents with their existing license.

- j. Arranging meetings with Chairman/ CEOs of new credible perspective Telecom investors/ Credible Operators or through road shows. The cost for such arrangements shall be itemized separately as part of the financial bid.
- k. Assist in completion of the process until award of licenses & Provisioning of agreed Auction Secure System/Software.
- l. Review of phased roll out obligations and Quality of Service parameters and suggest changes.
- m. Any other task assigned by PTA
- n. The CONSULTANT must adhere to the timeline provided in Appendix I

Scope of Engagement

CONSULTANT shall advise, assist and provide full support to the PTA on all steps necessary and critical to make the auctions a success and fetch optimum value from the auctions and ensure the participation of credible telecom operators in the auction.

More specifically, the mandate of the Consultant shall include but is not limited to the following services / tasks etc.

1. To review the requirements as set forth in the existing documentation including IM, Policy Document, Proposed License, and other related documents (all available on PTA's website) and advise / identify to the Authority for further documentation (if necessary) to bridge the gap if any so that quality of the investor is improved as well as the Auction proceeds are maximized.
2. To advise on the auction methodology already being pursued by the Authority and suggest improvements, if any are necessary, to make it more transparent and effective, generation of optimum revenue/ prices from the process.
3. Assist the Authority in developing the pre-qualification criteria for bidders, and assist PTA in pre-qualifying the bidders.
4. To review the processes completed so far and payment terms already included in the IMs, and determine the Reserve Prices being the fair value of the license / spectrum being auctioned. The determination of Reserve Prices shall be done under strict confidence and shall be provided in separate sealed envelopes to the Authority.
5. To advise the PTA on how to prevent collusion among the bidders and provide necessary assistance in implementing any such measures.
6. To develop a framework for yield maximization by collusion prevention and efficient dispute resolution.
7. Convince potential investors to participate in the auction and doing telecom business in Pakistan.
8. Advise and assist in identifying the potential investors and arranging meetings with them.
9. Evaluation of the offered spectrum with a view to ensure best price in the auction / bidding process.

10. To obtain market feedback through formal / informal interaction with the existing operators as well as prospective potential investors / operators for successful completion of auction process and award of licenses.
11. Assist the Authority in developing appropriate responses to the technical / financial / legal concerns of prospective bidders and others.
12. Assist the Authority in developing and issuing necessary clarifications as and when required to the potential bidders and others.
13. Point out legal issues if any and suggest best possible solutions based on International best practices to enhance the comfort level of the potential investors / bidders.
14. Advise and assist in the post Auction processes till the time the licenses are awarded.
15. Advise and suggest any other services required to move forward the auction process to successful completion by ensuring quality, transparency and best practice.
16. Suggest responses to stakeholders and Media.
17. As and when required, during the consultancy, Power Point presentations may be required to be made.
18. The Consultant will hold a workshop in addition to the meetings with the representation of PTA and stakeholders.
19. Conduct technical, commercial and legal due diligence related to the proposed transaction including review of the existing policy, documents, processes and all other matters ancillary thereto.
20. Conduct technical, commercial and legal due diligence related to the proposed transaction including review of the existing policy, documents, processes and all other matters ancillary thereto.
21. Prepare information documents for dissemination of timely and accurate information to stakeholders and potential investors.
22. Technical and commercial evaluation of the offered spectrum with a view to ensure best price in the auction / bidding process.
23. Design license templates for the Next Generation Mobile Services licenses
24. To advise on setting the rules for the auction process.
25. Spectrum valuation including determination of base and reserve prices.
26. To prepare Information Memorandum and other related documents for auction.
27. To prepare bid documents for the auction.
28. To develop an optimum auction plan, taking into account the availability of spectrum, competition and prevention of collusion.

29. To create appropriate market interest and excitement both in Pakistan and abroad through various means including road shows etc, as required.
30. To advise and incorporate on the safeguards in the auction system to ensure the security of the entire process.
31. To assist the PTA in conducting the auction of spectrum / license.
32. To document the entire process of auction of spectrum / license.
33. To provide all other services incidental or ancillary to auction process, till the completion of the auction and award of license(s).
34. Assist the PTA in developing appropriate responses and clarifications to the technical, financial, legal and any other concerns of prospective bidders and other stakeholders.
35. Advise and assist in the post Auction processes till the time the licenses are awarded.
36. To make presentations / briefings for information of various stakeholders, interest groups and other forums.

APPENDIX B - REPORTING REQUIREMENTS

- a. It is expected that the work for above mentioned tasks would be a parallel activity till the completion of the auction process as per timeline defined in Section 6, which would require stakeholder consultation process. The proposal and the agreement between PTA and the Consultant shall include specific sequencing and timing of each task and any necessary sub tasks.
- b. The Consultant shall submit a report as and when required, a weekly report, and a final report on the progress of the assignment, giving details of the work performed under the assignment, and the conclusion and recommendations.
- c. All reports shall be submitted, and all correspondence shall be made in English language.
- d. The Consultant shall submit 5 copies of the Final Report at the end of the assignment along with soft copies including business and / or econometric models, if any developed or used, during the consultancy.
- e. The Report shall be considered final, after it has been accepted by Authority. It shall be both in the print form and supported by soft copies of deliverables, and simulation models, if any.

- f. As and when required, during the consultancy, Power Point presentations may be required to be made.
- g. The Consultant will hold a workshop in addition to the meetings with the representation of PTA and stakeholders.

APPENDIX C - KEY PERSONNEL

Note: List under:

- C-1 *Titles [and names, if already available], detailed job descriptions and minimum qualifications of Key Foreign Personnel to be assigned to work in Pakistan, and estimated staff-months/days for each.*
- C-2 *Same as C-1 for Key Foreign Personnel to be assigned to work outside the CLIENT's country.*
- C-3 *Same information as C-1 for Key local Personnel.*

APPENDIX D - BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY

Note: List here the elements of cost used to arrive at the breakdown of the lump-sum price - foreign currency portion:

- 1. *Weekly rates for Personnel (Key Personnel and other Personnel).*
- 2. *Reimbursable expenses.*

This appendix may also be used as a reference only for determining remuneration for additional services, if any, required by the CLIENT.

APPENDIX E - BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY

Note: List here the elements of cost used to arrive at the breakdown of the lump-sum price - local currency portion:

- 1. *Weekly rates for Personnel (Key Personnel and other Personnel).*
- 2. *Reimbursable expenditures.*

This appendix may also be used as a reference only for determining remuneration for additional services, if any, required by the CLIENT.

APPENDIX F - SERVICES AND FACILITIES PROVIDED BY THE CLIENT

CLIENT is prepared to provide the CONSULTANT with the following resources:-

- All available data, reports and literature on Pakistan's telecommunication sector considered relevant by the CONSULTANT to carry out its assignment which can easily and practically be provided by the CLIENT.
- Cooperation, where possible, from telecom organizations, operators and Government agencies, whose activities and programs may be considered relevant to enable the CONSULTANT to have access to information necessary to carry out its assignment.
- If requested by CONSULTANT, CLIENT shall provide office space, local transportation and telephone facilities
- If requested by CONSULTANT, CLIENT can help arrange accommodation in hotels at preferred rates

APPENDIX G - FORM OF BANK GUARANTEE

Note: See Clause GC 6.4 and Clause SC 6.4.

Bank Guarantee for Advance Payment

_____ [Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: ____ Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

Date: _____

BANK GUARANTEE No.: _____

BANK GUARANTEE AMOUNT: US\$ _____ or equivalent Pak Rupees on the basis of conversion rate of TT calling rate on the day preceding the encashment day available on the website of National Bank of Pakistan

We have been informed that [name of Consulting Firm] (hereinafter called "the CONSULTANT") has entered into CONTRACT No. [reference number of the CONTRACT] dated [insert date] with Pakistan Telecommunication Authority (hereinafter called the "CLIENT"), for the provision of *Consultancy Services for the auction of Mobile Cellular License and blocks of next Generation spectrum and licenses* (hereinafter called "the CONTRACT").

Furthermore, we understand that, according to the conditions of the CONTRACT, the first payment in the sum of [Rs.amount in figures] ([Rupees amount in words only]) equal to 10% of the Contract price is to be made against a bank guarantee.

At the request of the CONSULTANT, we [name of Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [amount in figures] ([amount in words])¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the CONSULTANT is in breach of its obligation under the CONTRACT.

It is a condition for any claim and payment under this guarantee to be made that the advance 10% payment referred to above must have been received by the CONSULTANT.

This guarantee shall be released after the award of spectrum and issuance of license / addendum to the license to the winning bidders. This guarantee shall expire, at the earliest, 30 days after the award of spectrum and license / addendum to the license, or on

¹ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the CLIENT.

the day the guarantee is released by PTA² whichever is later. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[signature(s)]

Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.

² Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the CLIENT would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date given in the guarantee. In preparing this guarantee, the CLIENT will add the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months] [one year], in response to the CLIENT’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”

APPENDIX H - FORM OF PERFORMANCE GUARANTEE

Note: See Clause GC 6.4 and Clause SC 6.4.

Performance Guarantee for Performance Obligations

_____ *[On a legal document/stamp paper]*

Beneficiary: Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

Date: _____

We *[name of Consulting Firm]* (hereinafter called "the CONSULTANT") have entered into CONTRACT No. *[reference number of the CONTRACT]* dated *[insert date]* with Pakistan Telecommunication Authority (hereinafter called the "CLIENT"), for the provision of *Consultancy Services for the auction of Spectrum for Next Generation Mobile Services* (hereinafter called "the CONTRACT").

Furthermore, we understand that, according to the conditions of the CONTRACT, a performance guarantee in the sum of *[Rs.amount in figures]* (*[Rupees amount in words only]*) (*the amount equal to 10% of the total CONTRACT Price is to be inserted here*) is to be made against the performance obligations of the CONSULTANT.

We *[name of Consulting Firm]* (hereinafter called "the CONSULTANT") hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[Rs.amount in figures]* (*[Rupees amount in words only]*) (*the amount equal to 10% of the total CONTRACT Price is to be inserted here*) upon receipt by us of your first demand in writing accompanied by a written statement stating that we *[name of Consulting Firm]* (hereinafter called "the CONSULTANT") are in breach of our obligations under the CONTRACT because we *[name of Consulting Firm]* (hereinafter called "the CONSULTANT") have failed to perform our obligations.

[signature(s)]

Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.

Annex I- Integrity Pact

General

This pre-contract Agreement (hereinafter called the “Integrity Pact”) is made on ___ day of the month of ___ 2013, between, the Pakistan Telecommunication Authority (PTA) (hereinafter called the "CLIENT", which expression shall mean and include, unless the context otherwise required, his successors in office and assigns) of the First Part and M/s. _____ (hereinafter called the "CONSULTANT" which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part and both parts jointly and collectively may be referred to as the “PARTIES”.

WHEREAS the CLIENT proposes to procure Consultancy Services for the auction of Next Generation Mobile Spectrum services in Pakistan and the CONSULTANT is willing to offer/has offered the services.

WHEREAS the CONSULTANT is a Consultant(s)/Consulting Firms/Consortium etc is recognized under the applicable relevant Laws, in the subject matter and the CLIENT is a body corporate established by a federal statute i.e. Pakistan Telecommunication (Reorganization) Act, 1996.

NOW, THEREFORE, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the CONTRACT to be entered into with a view to, during and subsequent to the currency of the CONTRACT to be entered into with a view to :-

- Enable the CLIENT to obtain the desired said Consultancy Services at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortion impact of corruption on public procurement, and
- Enabling CONSULTANT to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the CLIENT will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The PARTIES hereto hereby agree to enter into this integrity Pact and agree as follows:

Commitments of the CLIENT

1.1 The CLIENT undertakes that no official of the CLIENT, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favor or any material or immaterial benefit or any other advantage from the CONSULTANT, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.

1.2 The CLIENT will, during the pre-contract stage, treat all Consultants alike, and will provide to all Consultants the same information and will not provide any such information to any particular CONSULTANT which could afford an advantage to that particular CONSULTANT in comparison to other Consultants.

1.3 All the officials of the CLIENT will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2. In case any such preceding misconduct on the part of such official(s) is reported by the CONSULTANT to the CLIENT with full and verifiable facts and the same is prima-facie found to be correct by the CLIENT, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the CLIENT and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the CLIENT the proceedings under the CONTRACT would not be stalled.

Commitments of Consultants:

3. The CONSULTANT commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its proposal or during any pre-contract or post-contract stage in order to secure the CONTRACT or in furtherance to secure it and in particular commit itself to the following:-

3.1 The CONSULTANT will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the CLIENT, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the CONTRACT in exchange for any advantage in the bidding, evaluation, contracting and implementation of the CONTRACT.

3.2 The CONSULTANT further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the CLIENT or otherwise in procuring the CONTRACT or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favor or disfavor to any person in relation to the Contract or any other contract with the Government.

3.3 The CONSULTANT further confirms and declares to the CLIENT that the CONSULTANT owns or have access rights to a state-of-the-art WAN/ Internet based secure, reliable, expert auction system (hardware, software, firmware, links etc) for actual use during the auction(s).

3.4 The CONSULTANT, either while presenting the proposal or during pre-contract negotiations or before signing the Contract, shall disclose any payments he has made, is committed to or intends to make to officials of the CLIENT or their family members, agents, brokers or any other intermediaries in connection with the Contract and the Services agreed upon for such payments.

3.5 The CONSULTANT will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, proposal evaluation, contracting and implementation of the Contract.

3.6 The CONSULTANT will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

3.7 The CONSULTANT shall not use improperly, for purposes of competition or personal gain, or pass on to other, any information provided by the CLIENT as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The CONSULTANT also undertakes to exercise due and adequate care lest any such information is divulged.

3.8 The CONSULTANT commits to refrain from lodging any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.9 The CONSULTANT shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.10 If the CONSULTANT or any employee of the CONSULTANT or any person acting on behalf of the CONSULTANT, either directly or indirectly, is a relative of any of the officers of the CLIENT, or alternatively, if any relative of an employee of the CLIENT has financial interest/stake in the CONSULTANT's firm, the same shall be disclosed by the CONSULTANT at the time of submitting its proposal.

3.11 The CONSULTANT shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the CLIENT.

4. Previous Transgression

4.1 The CONSULTANT declares that no previous transgression occurred in the last five years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in Pakistan or any Government Department in Pakistan that could justify CONSULTANT's exclusion from the bidding process.

4.2 The CONSULTANT agrees that if it makes incorrect statement on this subject CONSULTANT can be disqualified from the bidding process or the CONTRACT, if already awarded, can be terminated for such reason.

5. Sanctions for Violations

5.1 Any breach of the aforesaid provisions by the CONSULTANT or any one employed by it or acting on its behalf (whether with or without the knowledge of the CONSULTANT) shall entitle the CLIENT to take all or any one of the following actions, wherever required:-

(i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the CONSULTANT. However, the proceedings with the other CONSULTANT(s) would continue.

(ii) The Performance Bond (after the Contract is signed) shall stand forfeited either fully or partially, as decided by the CLIENT and the CLIENT shall not be required to assign any reason thereof.

(iii) To immediately cancel the Contract, if already signed, without giving any compensation to the CONSULTANT.

(iv) To recover all sums already paid by the CLIENT, with interest thereon at the prevailing 6 months KIBOR (Karachi Inter Bank Offer Rate).

(v) To encash the performance bond furnished by the CONSULTANT, in order to recover the payments, already made by the CLIENT, along with interest.

(vi) To cancel all or any other Contract with the CONSULTANT. The CONSULTANT shall be liable to pay compensation for any loss or damage to the CLIENT resulting from such cancellation/rescission and the CLIENT shall be entitled to deduct the amount so payable from the money(s) due to the CONSULTANT.

(vii) To debar the CONSULTANT from participating in future bidding processes of the Government of Pakistan for a minimum period of five years, which may be further extended at the discretion of the CLIENT.

(viii) To recover all sums paid in violation of this PACT by CONSULTANT(s) to any middleman or agent or broker with a view to securing the Contract.

(ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the CLIENT with the CONSULTANT, the same shall not be opened.

(x) Forfeiture of Performance Guarantee in case of a decision by the CLIENT to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.2 The CLIENT will be entitled to take all or any of the actions mentioned at para 5.1(i) to (x) of this Pact also on the Commission by the CONSULTANT or any one employed by it or acting on its behalf (whether with or without the knowledge of the CONSULTANT), of an offence as defined in of the Pakistan Penal code, or any other statute enacted for prevention of corruption.

5.3 The decision of the CLIENT to the effect that a breach of the provisions of this Pact has been committed by the CONSULTANT shall be final and conclusive on the CONSULTANT. However, the CONSULTANT can approach the Independent Monitor(s) appointed for the purposes of this Pact.

6. Fall Clause

6.1 The CONSULTANT undertakes that it has not supplied/is not supplying similar services at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of Pakistan and if it is found at any stage that similar services were supplied by the CONSULTANT to any other Ministry/Department of the Government of Pakistan at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the CONSULTANT to the CLIENT, if the Contract has already been concluded.

7. Monitors

7.1 The CLIENT may appoint Monitors (hereinafter referred to as Monitors) for this Consultancy.

7.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Consultancy.

7.3 Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.

7.4 As soon as the Monitor notices, or has reason to believe, a violation of this CONTRACT, and will so inform the PTA Authority.

7.5 The Monitor will submit a written report to the designated Authority of CLIENT biweekly from the date of reference or intimation to him by the CLIENT/CONSULTANT and, should the occasion arise, submit proposals for correcting problematic situations.

8. Facilitation of Investigation

In case of any allegations of violation of any provisions of this Pact or payment of commission, the CLIENT or its agencies shall be entitled to examine all the documents including the BOOKs of Accounts of the CONSULTANT and the CONSULTANT shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

9. Law and Place of Jurisdiction

This Pact is subject to Laws of Pakistan. The place of performance and jurisdiction is the seat of the CLIENT at Islamabad Pakistan.

a. Other Legal Actions

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

b. Validity

- i. The validity of this Integrity Pact shall be from date of its signing and extend the complete execution of the Contract to the satisfaction of both the CLIENT and the CONSULTANT, including warranty period, whichever is later. In case CONSULTANT is unsuccessful, this integrity Pact shall expire after six months from the date of the signing of the CONTRACT.

ii. Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

c. The parties hereby agree and sign this integrity Pact at Islamabad Pakistan on_____.

CLIENT

CONSULTANT

Authorized Representative

Authorized Representative

Witnesses

1.

4. 2.