

PURCHASE CONTRACT (SERVICE)

SUBJECT: - _____

This agreement made on the _____ day of _____ effective from _____ day of _____ between Pakistan Security Printing Corporation (Pvt.) Ltd. Situated at Jinnah Avenue, Malir Halt, Karachi Pakistan, hereinafter referred to as the "Corporation" (which expression shall unless repugnant to the context, mean and include their successors and assigns) of the FIRST PART, and Messer. _____ having is registered office at _____ hereinafter referred to as contractor (which expression unless repugnant to the context, mean and include its successors and assigned) of the SECOND PART: -

Whereas, the CORPORATION has entered into a CONTRACT with the Contractor for the above mentioned work at the premises of the Corporation as per specifications and details given in the Purchase order No. _____ dated _____ amounting to Rs. _____ (_____) as per following terms and conditions.

1. Commencement of work:

That the contractor should commence the work within _____ days of Purchase order.

2. Completion of Work:

That the whole work should be completed before _____ (_____ days) as given in purchase order.

3. Liquidated Damages:

That if the said work is not completed within the stipulated period, a fine of 2% per month or part of the month will be imposed as penalty provided that damages shall not exceed 10% of the total price payable under the Purchase Contract. The contractor shall pay the liquidated to the Corporation otherwise the Corporation shall make deduction from contractor's bill.

4. Force Majeure:

- i. That the Contractor shall not be held responsible for late or non-delivery of the goods due to strikes and generally recognized force majeure causes. However, in such cases, the Contractor shall deliver to the Corporation a certificate of the accident issued by the competent Government Authority and/or the Chamber of Commerce at the place where the accident occurred as evidence thereof, reasonable extension shall be granted at the option of the Corporation.
- ii. That if any hindrance arises on site during execution such as un-accessibility to the site due to security reasons or any other reason or un availability of material services or some technical reasons from the "Corporation" side, the time so lost will be added to the agreed period of completion of the work provided such delays should be recorded in writing & duly forwarded to Purchase department.
- iii. In case of delay, the Corporation shall have the right to complete the remaining work either departmentally or through another contractor at the risk and cost of contractor.

5. Supervision:

That the work will be done under the supervision of the user or his representative up-to their satisfaction, however, such supervision shall not absolve contractor from the responsibility & liability of completion of job according to contracted specification nor shall be interpreted in any way to imply acceptance/ satisfaction of contractor.

6. Re- Execution of Job:

That the work will be executed as per specification providing in tender & if it finds that the execution of the work is not in accordance with the satisfaction or the workmanship/ material is below standard, user Department of the Corporation shall order re-execution at the risk & cost of contractor.

7. Lump Sum Basis:

That quantities given in the B.O.Q, are provisional and can vary either way (Increase or decrease) and that the payment will be made to the contractor for actual work done and measured according to the prevalent Engineering practice, and if some extra item is required for the adequate and proper completion of the work and its rates are not available in B.O.Q, then the rates and the time of the same will be mutually discussed and decided. For any additional work, the prior approval from Purchase department will be required.

8. Sub Letting:

That the contractor shall not transfer or assign directly to any person or person any portion of this contract without prior written consent of the Corporation.

9. Performance Guarantee:

05% Performance Guarantee is required of the total contract amount (excluding taxes) for the period exceeding 28 days of contract period. The Performance Guarantee shall be in the form of an unconditional Bank Guarantee or insurance guarantee (PACRA Rating AAA & AA++ only) enforceable in Pakistan as per Performance Guarantee form specified in the Bidding Documents. Otherwise, Bid Security submitted with the tender document will be considered as part of performance guarantee and remaining amount will be deducted from the first bill of the contractor.

This amount will be refunded to the Contractor, after 30 days successful performance of the contract by them. The period of 30 days will be counted from the date of completion of the awarded job/work. The guarantee furnish by the Contractor shall only be in the nature of security for performance of the contract and the Corporation shall not be precluded from claiming any amount in excess of the sum mentioned in the guarantee by way of damages for the breach of contract.

10. Claim:

That if the Contractor fails to execute the job within the period stipulated in the contract, or if the workmanship is below the standard, or if contractor is failed to execute the job up to the satisfaction even after re-execution or if the material used is not in conformity with the contracted specification or reference samples, the Corporation shall have the right in addition to and notwithstanding their right to claim compensation for breach of contract,

to terminate the un-executed part of the contract and make purchases from other sources at the risk and cost of the Contractor. The Contractor shall settle all claims referred by the Corporation within fifteen days of the receipt of the same and in the event of their failure to do so, shall be liable to pay interest @ 14% per annum of the amount claimed.

11. Payment:

Advance or part payment, if any, as per terms & conditions of Purchase Order/ BOQ. Payment/ part payment will be made by the Corporation through cheque within 30 days (95% in case of non-submission of Performance Guarantee) of receipt of invoice / bill by the General Manager (Finance & Accounts) of the Corporation, after completion/ partial completion of the job & receipt of all necessary documents from contractor & satisfactory completion certificate.

12. Taxes & Duties:

That the Contractor shall pay all taxes & charges with respect to transaction of business under this contract agreement liable under any law enforce for the time being which may subsequently enforce during the execution of this agreement.

13. Arbitration:

In case of any dispute and difference which may arise in connection with the execution of the contract, shall be referred to Managing Director of Corporation. The decision of whom shall be binding on both the parties. In case the dispute remains unresolved, the matter will be resolved through arbitration as per the Arbitration Act, 1940.

14. Termination:

The Corporation, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Contractor, may terminate this contract in whole or in part:

- A- If the Contractor fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof.
- B- If the Contractor fails to perform any other obligations(s) under the contract.
- C- If the Contractor, in the judgment of purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods & services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods or services. However, the contractor shall continue performance of the contract to the extent not terminated.

15. Other Conditions:

- i. Any damage to PSPC property/ equipment during execution of job will be contractor's responsibility. The contractor shall repair/replace the damage property/equipment to the satisfaction of the Corporation.
- ii. The Contractor shall maintain the work place & shall restore it to original condition in case of disturbance.
- iii. The contractor will be responsible for supervision of job, provision of labor, tools, machines & material.
- iv. No escalation in prices will be accepted.

16. CLOSURE OF CONTRACT

After satisfactory completion of the awarded job and payment to contractor this contract shall be considered as closed.

IN WITNESS WHEREOF the parties hereto have set their respective hands and seals on the day and year first above mentioned.

For and on behalf of CORPORATION

For and on behalf of the CONTRACTOR

Signature.: _____ Name. _____ PAKISTAN SECURITY PRINTING CORPORATION (PVT.) LTD. Jinnah Avenue, Malir Halt, Karachi.	Signature. _____ Name. _____ _____ _____
<u>WITNESSES: -</u> Signature : _____ Name : _____ Address : _____ _____ _____ N.I.C. NO. : _____	<u>WITNESSES: -</u> Signature : _____ Name : _____ Address : _____ _____ _____ N.I.C. NO. : _____