

Standard Bidding Document

HBS Reinsurance Coverage for Property Damage & Machinery Breakdown (Non-Consultancy Services)

International

Single Stage-Two Envelope



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PROCUREMENT NOTICE

PROCUREMENT OF NON-CONSULTANCY SERVICES

1. The **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce)** has reserved Funds for the procurement planned for FY **2025-26**. The **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce)** intends to apply part of the proceeds of this Fund to cover eligible payments under the contract for the **“HBS Reinsurance Coverage for Property Damage & Machinery Breakdown”**

2. The **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce)** invites Bids through **EPADS v2.0** from eligible Bidders registered on **EPADS v2.0** for provision of Non-Consultancy Services.

3. **Single Stage-Two Envelope** Procedure of Principal Method of Procurement (i.e. Open Competitive Bidding) will be used by adopting **Least Cost Based Selection (LCBS)** Technique for the subject procurement, in line with the Public Procurement Rules, 2004 and any Regulations, and Instructions issued by the Authority (from time to time).

4. All Bids must be accompanied by a Bid Security described in Bid Security Section in Bidding Document in the form of **Pay Order, Bank Guarantee, Others** or Bid Securing Declaration on the prescribed format described.

5. E-Bidding documents, containing detailed terms & conditions, specifications and requirements etc. are available on **e-Pak Acquisition and Disposal System (EPADS)** at <https://vendors.epads.gov.pk/>.

6. The e-bids, prepared in accordance with the instructions in the e-Bidding documents, must be submitted through **EPADS v2.0** on or before **Monday, May 4, 2026 11:00 AM**. E-bids will be opened on the same day at **Monday, May 4, 2026 11:30 AM**. Manual submission of Bids shall not be entertained. Those vendors who have not yet registered on the new version of **EPADS v2.0**, may register themselves on <https://vendors.epads.gov.pk/>. A tutorial to explain the registration process is available at <https://www.youtube.com/watch?v=MNW6T38v7tc>

7. In terms of Rules 48 of Public Procurement Rules, 2004 Grievance Redressal Committee (GRC) is notified for the subject procurement and notification copy is

available on the procuring agency's website and also available on **EPADS v2.0** as well as Authority's website at (www.ppra.org.pk).

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Instructions to Bidders

A. Introduction

1. Scope of Bids

1.1. The Procuring Agency (PA), as indicated in the **Bids Data Sheet (BDS)** invites Bids through **EPADS v2.0** for the provision of Non-Consultancy Services for as specified in the BDS and **in Section Evaluation Criteria, Specifications & Schedule of Requirements**. The name, identification, and number of items/deliverables are provided in the **BDS**. **Single Stage-Two Envelope** procedure of the open competitive method shall be used. The successful Bidders will be expected to provide the services within the specified period and timeline(s) as stated in the **BDS**.

2. Source of Funds

2.1. Source of funds is referred in Clause-1 of Invitation for Bids.

3. Fraud & Corruption

3.1. As defined under Rule 2(1)(f) of the Public Procurement Rules, 2004.

4. Eligible Bidders

4.1. A bidder is eligible to participate in a procurement process if the bidder:

4.1.1. possesses or has access to the technical competence, financial resources, equipment and other physical facilities, personnel, managerial capability, experience and reputation necessary to complete the procurement contract;

4.1.2. has the legal capacity to enter into a procurement contract;

4.1.3. is not insolvent, in receivership, bankrupt or being wound up and its activities or affairs are not suspended or being administered under any Act, by a court or by a judicial officer;

4.1.4. is not the subject of legal proceedings for any of the matters mentioned in sub-rule (c);

4.1.5. has fulfilled or has made substantial arrangements satisfactory to the relevant authorities, to fulfil its obligations to pay taxes and social security (where applicable) other contributions of its employees; and

4.1.6. has not, or in the case of a company, its owners and beneficial owners, directors or officers have not, been convicted of a criminal offence related to:

4.1.6.1. its professional conduct; or

4.1.6.2. a bidder (or, in the case of a company, its key individuals such as owners, beneficial owners, directors, or officers) must not have engaged in any prohibited practice, such as fraud, corruption, collusion, or coercion, within the time period stated in the bidding documents, which can be up to three years before the start of the procurement process. Additionally, the bidder must not have been debarred (i.e., banned) from participating in public procurement processes in Pakistan or by any international organization or country. If they have, they are ineligible to participate in the current bidding.

4.2. The procuring agency may require a bidder participating in the procurement process to provide the prescribed documentary evidence or other information to satisfy itself that the bidder is qualified in accordance with the criteria in sub-clause (1).

4.3. A procuring agency shall set out in the bidding document all the criteria for qualification to be applied in accordance with sub-clause (1).

4.4. Except as permitted under the Ordinance, Rules and Regulations, the procuring agency shall not establish a criterion for eligibility of a bidder that:

4.4.1. discriminates against or among a bidder or against categories of bidders; or

4.4.2. is not required for the performance of the procurement contract; or

4.4.3. is not related to the avoidance or management of legal, reputational or economic risk to the procuring agency unless it is in the national interest to do so, and the criteria is set out in the bidding documents.

4.5. A procuring agency shall assess the eligibility of a bidder for participation in the procurement process against the criteria for qualification under sub-clause (1).

4.6. In the case of a joint venture, consortium, or association, all members shall be jointly and severally liable for the execution of the contract in accordance with the terms and conditions of the contract. The joint venture, consortium, or association shall nominate a lead member as nominated in the BDS,

4.7. who shall have the Authority to conduct all business for and on behalf of any and all the members of Joint venture, consortium, or association during the bidding process, and in case of award of contract, during the execution of the contract.

4.8. The appointment of the lead Member in the joint venture, consortium, or association shall be confirmed by submission of valid power of Attorney to the procuring agency.

4.9. Subject to the limits specified in the BDS, the procuring agency may allow bidders to participate in the form of a Joint Venture (JV). However, each party in the JV must individually meet the eligibility criteria specified in the BDS

4.10. No Bidder can be a sub-contractor while submitting a Bids individually or as a member of a joint venture in the same Bidding process.

5. Qualification of the Bidder

5.1. All Bidders shall provide in Section VI, Bid Forms, a preliminary description of the proposed work method and schedule, including drawings and charts, as necessary.

B. Bidding Documents

1. Contents of Standard Bidding Document

1.1. The Services required, bidding procedure, and terms and conditions of the contract are prescribed in the bidding document. In addition to the Invitation for Bids, the bidding document which should be read in conjunction with any addendum issued in accordance with **ITB 6.1** include:

Section I - Invitation to Bid

Section II Instructions to Bidders (ITB)

Section III Bid Data Sheet (BDS)

Section IV Eligible Countries

Section V Evaluation Criteria, Specifications, Schedule of Requirements, and Technical Specifications.

Section VI Bidding Forms

Section VII Fraud & Corruption

Section VIII - Material & Non-material deviation

Section IX General Conditions of Contract (GCC)

Section X Special Conditions of Contract (SCC)

Section XI Contract Forms

1.2. The Bidder is expected to examine all instructions, requirements, forms, terms and specifications in the bidding documents. Failure to furnish all the information required in the bidding document will be at the Service provider's risk and may result in the rejection of his bids.

2. Clarifications

2.1. Clarifications of the bidding documents may be requested in writing through EPADS v2.0 by any bidder up to three days prior to the deadline for the submission of bids.

The procuring agency shall respond promptly and in writing to any request by a bidder for clarification of the bidding documents and, in any event, no later than two days prior to the deadline for the submission of bids or proposals.

Responses to requests for clarification shall be communicated simultaneously and in writing to all bidders participating in the procurement proceedings.

No bidder shall be allowed to alter or modify his bid after the bids have been opened however, the procuring agency may seek and accept clarification to the bid that do not change the substance of the bid, through EPADS v2.0.

2.2. Procuring Agency's response will be uploaded on the EPADS v2.0, including a description of the inquiry.

2.3. Should the Procuring Agency deem it necessary to amend the bidding document as a result of a clarification, it shall do so following the procedure under **ITB 8** .

2.4. If indicated **in the BDS**, the bidder's designated representative is invited at the bidder's cost to attend a pre-bid meeting at the place, date and time mentioned **in the BDS**. During this pre-bid meeting, prospective bidder(s) may request clarification(s) regarding the schedule of requirements, the Evaluation Criteria or any other aspects of the bidding document.

2.5. Minutes of the pre-bid meeting, if applicable, including the text of the questions asked by bidders, and the responses given, together with any responses prepared after the meeting will be uploaded on EPADS v2.0. Any modification to the bidding document that may become necessary as a result of the pre-bid meeting shall be made by the Procuring Agency exclusively through the use of an Addendum pursuant to **ITB 8** .

2.6. To assist in the examination, evaluation and comparison of Bids of the Bidders, the Procuring Agency may, ask any Bidder for a clarification of its bid including breakdown of prices, through EPADS v2.0. Any clarification submitted by a bidder that is not in response to a request by the Procuring Agency shall not be considered.

No change in the prices or substance of the bid shall be sought, offered, or permitted.

The alteration or modification in the bid which in any way affect the following parameters will be considered as a change in the substance of a

bid:

- 2.6.1. evaluation & qualification criteria;
- 2.6.2. required scope of work or specifications;
- 2.6.3. all securities requirements;
- 2.6.4. tax requirements;
- 2.6.5. terms and conditions of bidding documents; and
- 2.6.6. change in the ranking of the bidders.

From the time of bid(s) opening to the time of contract award, if any bidder wishes to contact the procuring agency on any matter related to the bid, it should do so in writing or through electronic form that provides record of the content of communication.

3. Amendment of Bidding documents

3.1. Before the deadline for submission of bids, the procuring agency for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder or pre-bid meeting may modify the bidding documents by issuing addendum.

3.2. Any addendum issued including the notice of any extension of the deadline shall be part of the bidding document pursuant to **ITB 8 .1** shall be uploaded on EPADS v2.0 as well as Authority's website. The procuring agency shall promptly publish the addendum at the procuring agency's website indicated in the **BDS**:

Provided that the bidder who had either already submitted his bid, shall have the right to withdraw his already submitted bid and submit the revised bid, prior to the original or extended bid submission deadline.

3.3. To give prospective bidders reasonable time in which to take an addendum/corrigendum into account in preparing their bids, the Procuring Agency may, at its discretion, extend the deadline for the submission of bids:

Provided that the Procuring Agency shall extend the deadline for submission of bids, if such an addendum is issued within last three (03) days of the bid submission deadline.

C. Preparation of Bids

1. Documents Constituting the Bids

1.1. The bids prepared by the bidders shall constitute the following components: -

1.1.1. Forms of bid and Bid Prices completed in accordance with ITB 10 and 11;

1.1.2. Documentary evidence established in accordance with ITB 8 that services to be provided by the bidder are eligible services, and conform to the bidding documents;

1.1.3. Documentary evidence established in accordance with ITB 9 that the bidder is eligible and/or qualified for the subject bidding process;

1.1.4. Documentary evidence established in accordance with ITB 9.3 that the bidder has been authorized to provide the services;

1.1.5. Bid security or Bids Securing Declaration furnished in accordance with ITB 14; and

1.1.6. Any other document required in the BDS.

2. Documents Establishing Eligibility of the Services and Conformity to bidding documents

2.1. To establish the conformity of the Non-Consulting Services to the Bidding document, the bidder shall furnish as part of its bid the documentary evidence that services provided conform to the requirements.

2.2. Standards for the provision of the Non-Consulting Services are intended to be descriptive only and not restrictive.

3. Documents Establishing Eligibility and Qualification of the Bidder

3.1. Pursuant to ITB 8, the bidder shall furnish, as part of its bid, all those documents establishing the bidder's eligibility to participate in the bidding process and/or its qualification to perform the contract if its bid is accepted.

3.2. The documentary evidence of the bidder's eligibility to bids shall establish to the satisfaction of the procuring agency that the bidder, at the time of submission of its bid, is from an eligible country as defined in Section-IV titled as "Eligible Countries".

3.3. The documentary evidence of the bidder's qualifications to perform the contract if its bid is accepted shall establish to the satisfaction of procuring agency that:

3.3.1. the bidder has the financial, technical, and supply/production capability necessary to perform the Contract, meets the qualification criteria specified in BDS.

3.3.2. that the bidder meets the qualification criteria listed in the Bids Data Sheet.

4. Form of Bid

4.1. The bidder shall fill the Form of Bid furnished in the bidding documents. The Bid Forms must be completed without any alterations to its format and no substitute shall be accepted.

5. Bids Prices

5.1. The Bids Prices quoted by the bidder in the Forms of Bid and in the price schedule shall conform to the requirements specified or exclusively mentioned hereafter in the bidding document.

5.2. All items in the Schedule of Requirements must be listed and priced separately in the Price Schedules. If a Price Schedule shows items listed but not priced and neither explicitly mentioned, their prices shall be construed to be included in the prices of other items.

5.3. The Bid price to be quoted in the Forms of Bid in accordance with ITB 12 shall be the total price of the bid, excluding any discounts offered.

5.4. The bidder shall indicate on the appropriate Price Schedule, the unit prices (where applicable) and total bid price of the services, it proposes to provide under the contract.

5.5. Prices quoted by the bidder shall be fixed during the currency of the contract and not subject to variation on any account. A bid submitted with an adjustable price will be treated as non-responsive and shall be rejected pursuant to ITB 28, unless otherwise price adjustment is permissible under Conditions of the Contract. (May be reviewed)

6. Price Adjustment

6.1. Price adjustment shall not be applicable on the contract with less than 12 months period.

6.2. Procuring agency may increase the remuneration of the human resources involved in non-consultancy services upto maximum 15% on annual basis.

6.3. Procuring agency shall incorporate the provisions to allow wage rate in compliance with Federal Government's minimum wage notification, subject to the condition that clause 11.2 shall not be applicable in that case.

7. Bids Currencies

7.1. Prices shall be quoted in Pakistani Rupees unless otherwise specified in the BDS.

8. Bid Validity Period

8.1. Bid(s) shall remain valid for the period specified in the BDS after the bid submission deadline prescribed by the Procuring Agency. A Bid valid for a shorter period shall be rejected by the Procuring Agency as non-responsive. The period of bid validity will be determined from the complementary bid securing instrument i.e. the expiry period of bid security or bid securing

declaration as the case may be.

9. Bid Security or Bid Securing Declaration

9.1. Unless otherwise specified in the BDS, the bidder shall furnish as part of its bid, in the amount and currency specified in the BDS or Bid Securing Declaration on the format provided in Section VI (Bid Forms) The scanned copy of the Bids Security shall be uploaded in the EPADS v2.0 while submitting bid, whereas the original forms of Bid Security shall be submitted to the procuring agency before the bid submission deadline. The bidder who failed to submit the original bid security before the submission deadline shall be disqualified straightaway.

9.2. The Bid Security or Bid Securing Declaration is required to protect the Procuring Agency against the risk of Bidder's conduct which would warrant the security's forfeiture, pursuant to ITB 17.5

9.3. The Bid Security shall be payable promptly upon written demand by the Procuring Agency in case any of the conditions listed in 14.5 are invoked.

9.4. Unsuccessful Bidders' Bid Security will be discharged or returned as promptly as possible after the award of contract, however in no case later than thirty (30) days after the expiration of the period of Bid Validity prescribed by the Procuring Agency pursuant to ITB 13. The Procuring Agency shall make no claim to the amount of the Bid Security, and shall promptly return the Bid Security document, whichever of the following that occurs earliest:

9.4.1. the expiry of the Bid Security;

9.4.2. the entry into force of a procurement contract and the provision of a Performance Guarantee, for the performance of the contract if such a guarantee, is required by the bidding document;

9.4.3. the rejection by the Procuring Agency of all Bids;

9.4.4. the withdrawal of the Bid prior to the deadline for the submission of bids, unless the bidding document stipulate that no such withdrawal is permitted.

9.5. The Bid Security may be forfeited or the Bid Securing Declaration executed:

9.5.1. if a bidder:

9.5.1.1. withdraws its bid during the period of bid validity as specified by the Procuring Agency, and referred by the bidder in the Forms of Bid, except as provided for in the ITBs; or

9.5.1.2. does not accept the correction of errors pursuant to ITB 26; or

9.5.2. in the case of a successful bidder fails:

9.5.2.1. **to sign the contract in accordance with ITB 32; or**

9.5.2.2. **to furnish Performance Guarantee in accordance with ITB 33.**

9.6. The bid security shall be valid for a period specified in BDS. Bids with shorter bid security validity period shall be rejected straight away.

10. Alternative Bids by Bidders

10.1. Alternatives will not be considered, unless specifically allowed for in the BDS.

10.2. When alternative times for completion are explicitly invited, a statement to that effect will be included in the BDS and the method of evaluating different time schedules will be described in Evaluation and Qualification Criteria.

11. Withdrawal, Substitution, and Modification of Bids

11.1. Before Bids submission deadline, any bidder may withdraw, substitute, or modify his bid after it has been submitted.

12. Format and Signing of Bids

12.1. The bidder shall prepare and submit his bid with due diligence after carefully reading all the terms and conditions before submission through EPADS v2.0.

12.2. Any interlineations, erasures, or overwriting shall be valid only if they are signed by the person(s) signing the forms of bid.

D. Submission of Bids

1. **Submission of Bids through EPADS v2.0 before Dead deadline**

1.1. The Technical and Financial Bids as the case may be, shall be submitted in the due portion of the EPADS v2.0, before bid submission deadline. The bid submission option shall be automatically disabled once the deadline is over.

1.2. The Procuring Agency may, under exceptional circumstances and at its discretion, extend the deadline for the submission of bids by amending the Bidding Documents in accordance with ITB 8. In such a case, all rights and obligations of the Procuring Agency and the Bidders that were previously subject to the original deadline shall thereafter be subject to the revised deadline.

E. Opening and Evaluation of Bids

1. **Opening & Evaluation of Bids by the Procurement Cell**

1.1. As per Rule 10 of Public Procurement Rules, 2025
(PA to establish a Procurement Cell which shall carryout procurements a per Rule 10 of Public Procurement Rules, 2025)

2. **Opening & Evaluation of Bids by the Bid Evaluation Committee**

2.1. As per Rule 11 of Public Procurement Rules, 2025
(PA to constitute odd number Bid Evaluation Committee for the purpose of bid opening and evaluation of all procurements with an estimated value up

to two billion rupees)

3. **Third Party Validation**

3.1. **In compliance with Rule 12** of Public Procurement Rules, 2025, the third-party validation committee or firm shall validate all procurements above five hundred million and up to two 2 billion rupees. The third-party validation shall be conducted at specifications, bidding documents preparation, technical (if any) & final evaluation stages.

4. **External Bid Evaluation Committee**

4.1. **As per Rule 13 of Public Procurement Rules, 2025**, procurements with an estimated value above two billion rupees shall be opened and evaluated by the Procuring Agency's notified External Bid Evaluation Committee.

5. **Opening of Bids**

5.1. The Procuring Agency will open all bids through EPADS, in the presence of bidders' or their representatives who choose to attend, and other parties with a legitimate interest in the bid proceedings at the place, on the date and at the time, specified in the **BDS**. The Bidders' representatives present shall sign attendance sheet as proof of their attendance.

5.2. The bids shall be opened one at a time, and the following read out and recorded: (a) the name of the bidder; (c) the presence of a bid security, if required; and (d) any other details as the procuring agency may consider appropriate.

5.3. No bid will be rejected at the time of bid opening except for bids whose bid security has not been provided to the procuring agency before submission deadline.

5.4. The procuring agency shall prepare minutes of the bid opening. The record of the bid opening shall include, as a minimum: the name of the bidder and the bid price, if applicable.

6. **Confidentiality**

6.1. Information relating to the examination, clarification, evaluation and comparison of bids and recommendation of contract award shall not be disclosed to bidders or any other person(s) not officially concerned with such process, until the time of the announcement of the respective evaluation report.

6.2. Any effort by a bidder to influence the procuring agency processing of bids or award decision may result in the rejection of his bid.

7. Preliminary Examination of Bids

7.1. Prior to the detailed evaluation of bids, the procuring agency will determine whether each bid:

7.1.1. meets the eligibility criteria defined in **ITB 3**;

7.1.2. has been prepared as per the format and contents defined by the procuring agency in the bidding document;

7.1.3. is accompanied by the required securities; and

7.1.4. is substantially responsive to the requirements of the bidding document.

7.2. The procuring agency will confirm that the documents and information specified under **ITB 9,10 and 11** have been provided in the bids. If any of these documents or information is missing, or is not provided in accordance with the Instructions to Bidders, the bids shall be rejected.

7.3. If a bid is not substantially responsive, it will be rejected by the procuring agency and may not subsequently be evaluated for complete technical responsiveness.

8. Examination of Terms and Conditions, Technical Evaluation

8.1. The procuring agency shall evaluate the technical aspects of the bids submitted in accordance with **ITB 21**, to confirm that all requirements specified in **Evaluation Criteria, Technical Specifications and Schedule of Requirements**, prescribed in the bidding document have been

met without material deviation or reservation.

8.2. If after the examination of the terms and conditions and the technical evaluation, the procuring agency determines that the bid is not substantially responsive in accordance with **ITB 21**, it shall reject the bids.

9. Correction of Errors

9.1. Bids determined to be substantially responsive will be checked for any arithmetic errors. Errors will be corrected as follows: -

9.1.1. if there is a discrepancy between unit prices and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected, unless in the opinion of the procuring agency there is an obvious misplacement of the decimal point in the unit price, in which the total price as quoted shall govern and the unit price shall be corrected;

9.1.2. if there is an error in a total corresponding to the addition or subtraction of sub-totals, the sub-totals shall prevail and the total shall be corrected; and

9.1.3. where there is a discrepancy between the amounts in figures and in words, the amount in words will govern.

9.1.4. Where there is discrepancy between grand total of price schedule and amount mentioned on the Forms of bid, the amount referred in Price Schedule shall be treated as correct subject to elimination of other errors.

9.2. The amount stated in the bid will be adjusted by the procuring agency in accordance with the above procedure for the correction of errors and, with the concurrence of the bidder that shall be considered as binding upon the bidder. If the Bidder does not accept the corrected amount, his bid will then be rejected, and the Bid Security may be forfeited or the Bid Securing Declaration may be executed in accordance with **ITB 17**.

10. Conversion to Single Currency

10.1. As per Rule 30(2) of Public Procurement Rules, 2004.

11. Evaluation of Bids

11.1. The procuring agency shall evaluate bids in accordance with Rule 30 of Public Procurement Rules, 2004 and compare only those bids determined to be substantially responsive, pursuant to **ITB 24**.

11.2. In evaluating the Technical Bids of each Bidder, the Procuring Agency shall apply the evaluation criteria and methodologies specified in the Bid Data Sheet (BDS) and in accordance with the Statement of Requirements and Technical Specifications. No other evaluation criteria or methodologies shall be permitted.

11.3. In case of tie of bids, the bidders shall be provided an opportunity to offer their best and final monetary offer through EPADS. However, in no case the rates shall be higher than the original financial bids.

11.4. The Procuring agency evaluation of a bid will take into account:

11.4.1. the bid price, excluding provisional sums and the provision, if any, for contingencies in the summary bill of quantities, but including day work items, where priced competitively;

11.4.2. price adjustment for correction of arithmetic errors in accordance with **ITB 26**;

11.5. converting the amount resulting from applying (a) and (b) above, if relevant, to a single currency in accordance with **ITB 27**;

11.6. The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in bid evaluation.

11.7. If these bidding documents allow bidders to quote separate prices for different lots, and the award to a successful bidder of multiple lots, the methodology of evaluation to determine the lowest evaluated lot combinations in the Form of Bid, is specified in the **BDS**.

12. Determination of Most Advantageous Bids

12.1. Selection technique will be adopted for determining the Successful Bid in accordance with the criteria referred in the **BDS** or prescribed in the separate section titled as Evaluation Criteria.

13. Abnormally Low Financial Bids

13.1. Procuring agency may reject a bid if it has determined that the price, in combination with other constituent elements of the bid, is abnormally low in relation to the subject matter of the procurement, such that it raises material concerns on the part of the procuring agency, as to the ability of the bidder to perform the procurement contract satisfactorily for the offered price.

A procuring agency shall not reject a bid as abnormally low under sub-clause (1) above unless the procuring agency -

13.1.1. requested in writing through EPADS from the bidder a written clarification of his bid, including a detailed price analysis of his bid price in relation to the subject matter of the procurement contract, scope, methodology, schedule, allocation of risks and responsibilities and any other requirements of the bidding document; and

13.1.2. having taken account, the information provided by the bidder in response to a request under paragraph (a) and the information included in the bid, the procuring agency determines that the bidder has failed to demonstrate its ability to perform the procurement contract satisfactorily for the offered price.

The procuring agency shall promptly communicate to the bidder concerned its decision to reject the bid, including the reasons for the decision.

14. Rejection of Bids

14.1. As per Rule 33 of the Public Procurement Rules, 2004

15. Cancellation of procurement

15.1. As per Rule 46 of Public Procurement Rules, 2025

16. Single Responsive Bid

16.1. The procuring agency may consider single responsive subject to underlying conditions of Rule 38(b) of the Public Procurement Rules, 2004.

17. Alternate Dispute Resolution (ADR)

17.1. As per Rule 66 of Public Procurement Rules, 2025

18. Arbitration Clause

18.1. (Appointing Authority for the Arbitrator shall be Chief Justice of Honorable Islamabad High Court OR Managing Director (PPRA) OR Secretary (Ministry of Law & Justice),

19. Fee of the Arbitrator

19.1. The fee shall be specified in PKR as determined by the Appointing Authority and shall be shared equally by each party.

20. Socio-economic development

20.1. As per Rule 63 of Public Procurement Rules, 2025, PA to encourage the inclusiveness of small and medium enterprises, and marginalized groups by according preferences in line with the notified policies of the Federal Government

21. Environmental objectives

21.1. As per Rule 64 of the Public Procurement Rules, 2004, The procuring agency may seek to procure services with a reduced environmental impact throughout their life cycle when compared to services with the same primary function that may otherwise be procured.

F. Award of Contract

1. Appointment of Contract Manager

1.1. The procuring agency shall designate a Contract Manager for each procurement or class of procurement who shall manage the contract as per Rule 58 & 59 of the Public Procurement Rules, 2004.

2. Criteria of Award

2.1. The procuring agency will award the Contract to the bidder whose bid has been determined to be substantially responsive to the bidding document and who has been declared as Successful Bid .

3. Procuring Agency's Right to reject All Bids

3.1. The procuring agency reserves the right to reject all the Bids and to annul the procurement process at any time prior to acceptance of the bid(s), without thereby incurring any liability to the affected bidder(s).

3.2. Notice of the rejection of all bids shall be given promptly to all bidders that have submitted the bids. The procuring agency shall upon request communicate to any bidder the grounds for the rejection of his bid, but is not required to justify those grounds.

4. Procuring Agency's Right to Vary Quantities at the Time of Award

4.1. The procuring agency reserves the right, at the time of contract award, to increase or decrease not more than 15% of the original scope of related services originally specified in the Schedule of Requirements, provided that such variation does not exceed the percentage indicated in the **Bid Data Sheet (BDS)**. This adjustment shall be made without any change in the unit price or other terms and conditions of the Bids and Bidding Documents.

5. Notification of Award

5.1. Prior to the award of contract, the procuring agency shall issue a Final Evaluation Report giving justification for acceptance or rejection of the bids.

5.2. Bidder whose bid has been accepted, will be notified for the award by the Procuring Agency prior to expiration of the Bid Validity period through EPADS. The Letter of Acceptance will state the sum that the procuring agency will pay the successful bidder in consideration for the execution of the scope of works as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price).

5.3. The notification of award will constitute the formation of the Contract, subject to the condition that bidder furnish the Performance Guarantee and signing of the contract.

6. **Signing of Contract**

6.1. Promptly after notification of award, Procuring Agency shall send the successful bidder the draft agreement, incorporating all terms and conditions as agreed by the parties to the contract. The successful bidder and the procuring agency shall sign the contract.

7. **Performance Guarantee**

7.1. After the receipt of the Letter of Acceptance, the successful bidder, within the specified time, shall deliver to the Procuring Agency a Performance Guarantee in the amount and in the form stipulated in the **BDS and SCC**, denominated in the type and proportions of currencies in the Letter of Acceptance and in accordance with the Conditions of Contract.

7.2. Failure of the successful bidder to comply with the requirement of **ITB 49.1** shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the procuring agency may make the award to the next ranked bidder or call for new bids.

8. **Advance Payment**

8.1. The Procuring Agency will provide an Advance Payment as stipulated in the Conditions of Contract, subject to a maximum amount, as stated in the **BDS**. The Advance Payment request shall be accompanied by an Advance Payment Guarantee in the form provided in Contract Forms.

9. **Arbitration**

9.1. The Arbitrator shall be appointed by mutual consent of the both parties as per the provisions specified in the **SCC**.

10. **Corrupt & Fraudulent Practices**

10.1. Procuring Agencies (including beneficiaries of Government funded projects and procurement) as well as Bidders/Contractors under Government financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts, and will avoid to engage in any corrupt and fraudulent practices.

G. **Grievance Redressal & Complaint Review Mechanism**

1. **Constitution of Grievance Redressal**

1.1. Procuring agency shall constitute a Grievance Redressal Committee (GRC) comprising of an odd number of persons with proper power and authorization to address the complaint. The GRC shall not have any of the members of Procurement Evaluation Committee. The committee must have one subject specialist depending the nature of the procurement.

2. **GRC Procedure**

2.1. Any aggrieved party or bidder as the case may be, may file grievance in accordance with Rule 48 of the Public Procurement Rules, 20 and Redressal of Grievance Regulations, 2022

H. **Blacklisting/ Debarment**

1. **Procedure for Blacklisting/Debarment**

1.1. The procuring agency may initiate blacklisting proceedings against contractor/supplier in accordance with Rule-19 of the Public Procurement Rules, 2004, Mechanism for Blacklisting, Debarment Regulations, 2024 and "procedure for filling and disposal of review petition under rule-19(3) of the Public Procurement Rules, 2004.



Bid Data Sheet

Bids Data Sheet (BDS)

The following specific data for the procurement of Goods to be procured shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions herein shall prevail over those in ITB.

BDS Clause Number	ITB Number	Amendments of, and Supplements to, Clauses in the Instruction to Bidders
A. Introduction		
1	1.1	<p>Name of Procuring Agency: Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce)</p> <p>The subject of procurement is: HBS Reinsurance Coverage for Property Damage & Machinery Breakdown</p> <p>Expected commencement date: Wednesday, July 1, 2026</p>
2.	2.1	<p>Financial year for the operations of the Procuring Agency: 2025-26</p> <p>Name and identification number of the Contract: P15029</p>
3.	4.6	<p>JV/Consortium or Association Allowed: No</p> <p>Number of JV/Consortium Members: Nil</p>
B. Bidding Documents		

4.	7.1	The Bidders may seek clarifications through EPADS v2.0 : Clarification Date: Thursday, April 23, 2026
5.	8.1	Any addendum, in case issued, shall be published on Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce) website and on EPADS v2.0 .
6.	9.1	List of documents required along with the bid: No
7.	11.1	The qualification criteria to establish the supply / production capability of the bidder. <i>see Eligibility Criteria</i>
8.	7.6	Services and Their related documents: <i>See section Required Services and Scope of Work</i>
9.	13.1 & 13.2	Price schedule will be provided according to the format defined and acquired. <i>see section price schedule.</i>
10.	7.6.2	Specifications: <i>see section of specifications.</i>
C. Preparation of Bids		
11.	13.5	The price shall be Fixed .
12.	15.1	Currency of the Bids shall be : PKR

13.	16.1	The Bids/Bid Validity period shall be: 45 Days
14.	17.1	<p>The amount of Bid Security shall be as defined in Bid Security Section for items and lots given in BDS 6</p> <p>The Bid Security shall be in the form of: Pay Order, Bank Guarantee, Others</p>
15.	17.3	The Bids security shall be valid for twenty-eight (28) days beyond the expiry of the Bids validity period specified in the bidding documents, for example the bid validity is 180 days so the bid security shall be valid for 180+28 = 208 days.
16.	18.1	Alternative Bids to the requirements of the bidding documents willnot be permitted.
D. Submission of Bids		
17.	21.1	<p>Bid shall be submitted online on EPADS v2.0 whereas hard copy of the bid security should be submitted to the following;</p> <p>PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).</p> <p>Bids that are not submitted on EPADS v2.0 shall be disqualified.</p> <p>The deadline for Bids submission is: Monday, May 4, 2026 11:00 AM</p>

E. Opening and Evaluation of Bids

18.	26.1	<p>The Bids opening shall take place on EPADS v2.0.</p> <p>Day : Monday</p> <p>Date:Monday, May 4, 2026</p> <p>Time : 11:30 AM</p>
19.	32.1	<p>Selection technique adopted will be: Least Cost Based Selection (LCBS) <i>see Evaluation Criteria</i></p>
<h2>F. Award of Contract</h2>		
20.	49.1	<p>The Performance guarantee shall: 0%.</p> <p>The Performance Guarantee shall be acceptable in the form of:Nil</p>
21.	51.1	<p>Arbitrator shall be appointed by mutual consent of the both parties.</p>
<h2>G. Review of Procurement Decisions</h2>		
22.	53.1	<p>Grievance against this procurement shall be submitted online on EPADS v2.0.</p>

Eligibility Criteria

Bidder's Type	Required Registration
Any	None

Eligibility Criteria	Document
The bidder should be an international (re)insurance broker having an annual premium placement volume of at least USD 500 million.	Yes

Evaluation Criteria

Least Cost Based Selection (LCBS)

Technical Marks	100
Passing Marks	100
Regulatory & Eligibility Compliance	
Foreign brokers as well as local affiliates to submit valid professional indemnity policies meeting regulatory requirements of their respective countries of registration. (Quantitative)(Doc Required)	5
The bidder should provide following information on its' company letterhead:	
Name of Lead Reinsurer (Quantitative)(Doc Required)	5

Lead Reinsurer Rating: minimum "A" as per S&P/AM Best Moody's and Fitch (Quantitative)(Doc Required)	5
Lead Reinsurer Share: at least 15% not more than 25% (Quantitative)(Doc Required)	5
Country of Origin (Quantitative)(Doc Required)	5
No underwriting agencies are allowed as leader (Quantitative)(Doc Required)	10
The bidder shall abide by the following:	
Quotation should be "FIRM" quote (Quantitative)(Doc Required)	5
Validity of quote should be forty-five (45) days from date of opening of bid (Quantitative)(Doc Required)	10
Quotation/slip/policy wording should be without any expressed or implied subjectivities/conditions/additional exclusions/warranties (Quantitative)(Doc Required)	5
Premium Payment warranty should be ninety (90) days from the inception of the policy period (Quantitative)(Doc Required)	5
Additional Information	
Law and Jurisdiction must be Pakistan (Quantitative)(Doc Required)	5
Actual Quotation slip/policy wording signed/stamped by the leader must be attached (Quantitative)(Doc Required)	10
Policy Information	
Limit of Liability: Section 1: USD 891,420,000 each and every occurrence - Section 2: USD 101,000,000 each and every occurrence (Quantitative)(Doc Required)	10
INDEMNITY PERIOD - Section 2: 18 months (Quantitative)(Doc Required)	5
Deductible (PD)/Section 1: • USD 1,500,000 each and every occurrence in respect of Machinery Breakdown of the Gas Turbine Generator	

<ul style="list-style-type: none"> • USD 750,000 each and every occurrence in respect of Machinery Breakdown on the Steam Turbine Generator Sets, Heat Recovery Steam Generators and Main Transformers. • USD 250,000 each and every occurrence all other losses. (Quantitative)(Doc Required)	5
Deductible (BI)/Section 2: <ul style="list-style-type: none"> • 60 days each and every occurrence in respect of Machinery Breakdown of the Gas Turbine Generator Sets • 30 days every occurrence or series of occurrences in respect of machinery breakdown on the Steam Turbines Generator, 	
<ul style="list-style-type: none"> • 30 days each and every occurrence or series of occurrences in respect of all other loses The 'period' shall commence on the day that the business is first interrupted or interfered with and shall end the number of days specified as the Deductible t (Quantitative)(Doc Required)	5

Required Services

Positions Without Lots :

Position	Delivery Schedule	Quantity	Bid Security
Net to Broker	<p>Address: PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).</p> <p>Schedule: as per work order Quantity: 1</p>	1	349718

Related Services :

No

Services Specifications

Positions Without Lots :

Position: Net to Broker

Specifications / Requirements:

Particulars	One-Year Quote
Gross Premium (100%) including all layers (if any)	
Less: Client Discount (if any non-conditional discount)	
Premium after Discount	
Add: Broker Fee (if applicable)	
Premium 100% (payable by client)	
Less: Reinsurance Commission	10 Percent
Net to Broker 100%:	

Scope of Work

The bidder must abide by the terms & conditions attached to this document.

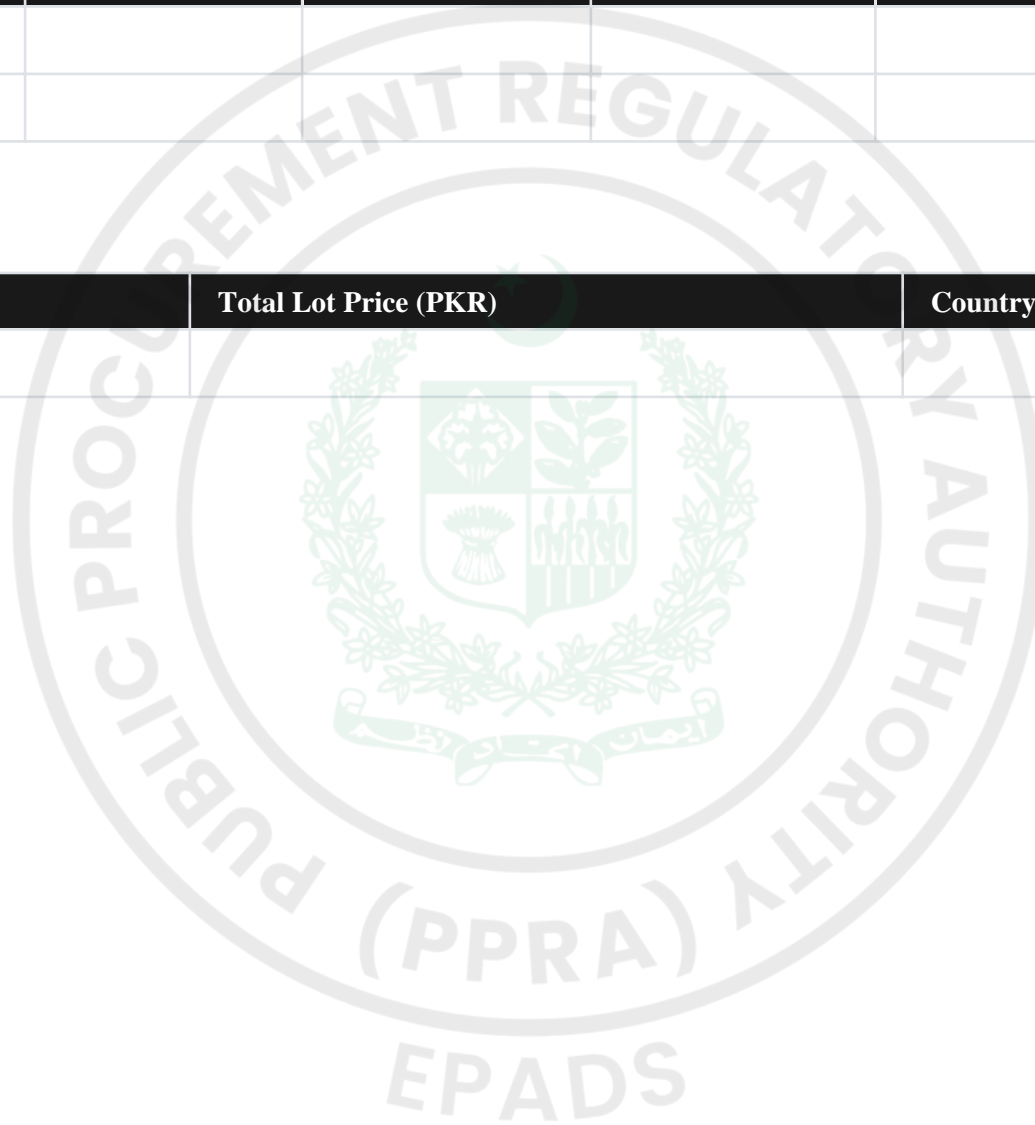
Price Schedule

For Individual Positions

#	Position Title	Quantity	Unit Price (PKR)	Total Price (PKR)	Delivery Location	Delivery Period / Year	Country of Origin
1							
2							

For Lots

#	Lot Title	Total Lot Price (PKR)	Country of Origin
1	[Lot 1 Title]		







General Conditions of Contract

A. General

1. Definitions

1.1. Unless the context otherwise requires, the following terms whenever used in this Contract shall have the same meaning and shall be interpreted as indicated

1.1.1. "Applicable Law" means the laws and any other instruments having the force of law in the Government's Country, or in such other country as may be specified in the Special Conditions of the Contract (SC), as they may be issued and in force from time to time;

1.1.2. "The Contract" means an agreement enforceable by law;

1.1.3. "The Contract Price" means the price payable to the Contractor under the Contract for the full and proper performance of its contractual obligations;

1.1.4. "The Services" means the work to be performed by the Contractor pursuant to this Contract and as prescribed in the Specifications and Schedule of Activities included in the Contractor's Bid;

1.1.5. "Ancillary Services" means those services ancillary to the provision of Services, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Contractor covered under the Contract;

1.1.6. "GCC" means the General Conditions of Contract contained in this section;

1.1.7. "SCC" means the Special Conditions of Contract by which the GCC may be amended or supplemented;

1.1.8. "Day" means calendar day unless indicated otherwise;

1.1.9. "Effective Date" means the date on which this Contract comes into force and effect;

1.1.10. "The Contractor" means the individual or corporate body whose Bids to provide the Services has been accepted by the Procuring Agency;

1.1.11. "The Project Site," where applicable, means the place or places named in Bid Data Sheet and technical Specifications;

1.1.12. "Government" means the Government of Pakistan;

1.1.13. "Local Currency" means the currency of Pakistan;

1.1.14. "In Writing" means communicated in written form with proof of receipt;

1.1.15. "Completion Date" means the date of completion of the Services by the Contractor as certified by the Procuring Agency;

1.1.16. "Foreign Currency" means any currency other than the currency of the country of the Procuring Agency;

1.1.17. "Party" means the Procuring Agency or the Contractor, as the case may be, and "Parties" means both of them;

1.1.18. "Service" means any object of procurement other than goods or works;

1.1.19. "Subcontractor" means any entity to which the Bidder subcontracts any part of the Services.

2. **Applicable Law**

2.1. The contract shall be governed and interpreted in accordance with the laws of Pakistan, unless otherwise specified in SCC.

3. **Language**

3.1. The Contract as well as all correspondence and documents relating to the Contract exchanged between the Contractor and the Procuring Agency, shall be written in the **English language** unless otherwise stated in the SCC. Supporting documents and printed literature that are part of the Contract may be in another language provided these are accompanied by an accurate translation of the relevant passages in English, in which case, for purposes of interpretation of the Contract, this translation shall govern.

4. **Notices**

4.1. Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC.

5. **Location**

5.1. The Services shall be performed at such locations as the Procuring Agency may approve and as specified in SCC.

6. **Authorized Representatives / Authority of Member in charge**

6.1. Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Procuring Agency or the Contractor may be taken or executed by the officials specified in the SCC.

B. **Commencement, Completion, Modification, and Termination of Contract**

1. **Effectiveness of Contract**

1.1. This Contract shall come into effect on the date the Contract is signed by both parties and such other later date as may be stated in the SCC.

2. Commencement of Services

2.1. The Contractor shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

3. Program schedule

3.1. Before commencement of the Services, the Contractor shall submit to the Procuring Agency for approval a Program showing the general methods, arrangements, order and timing for all activities. The Services shall be carried out in accordance with the approved Program as updated.

4. Starting Date/Expiration Date

4.1. The Contractor shall start carrying out the Services Five (05) days after the date the Contract becomes effective, or at such other date as may be specified in the SCC.

4.2. Unless terminated earlier pursuant to Clause **GCC 14** hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC.

5. Entire Agreement

5.1. This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

6. Modification

6.1. 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 modification(s) or variation(s) made by the other Party.

6.2. In cases of any modification(s) or variation(s), the prior written consent of the Procuring Agency is required.

7. Force Majeure

7.1. Definition

For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Contractor and which makes a Contractor's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

7.2. 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 in so far 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.

7.3. Extension of Time

Any period within which a Contractor 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.

7.4. Payments

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Contractor shall be entitled to continue to be paid under the terms of this Contract, 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.

8. Termination

8.1. By the Procuring Agency

The Procuring Agency may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (e) of this Clause. In such an occurrence the Procuring Agency shall give at least thirty (30) calendar days' written notice of termination to the Contractor in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in (e);

8.1.1. If the Contractor fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension;

8.1.2. If the Contractor becomes (or, if the Contractor consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;

8.1.3. If the Contractor fails to comply with any final decision reached as a result of arbitration proceedings;

8.1.4. If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;

8.1.5. If the Procuring Agency, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;

8.2. By the Contractor

The Contractor may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Procuring Agency, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

8.2.1. If the Procuring Agency fails to pay any money due to the Contractor pursuant to this Contract and not subject to dispute within forty-five (45) calendar days after receiving written notice from the Contractor that such payment is overdue;

8.2.2. If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;

8.2.3. If the Procuring Agency fails to comply with any final decision reached as a result of arbitration;

8.2.4. If the Procuring Agency is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Bidder may have subsequently approved in writing) following the receipt by the Procuring Agency of the Contractor's notice specifying such breach.

C. Obligations of the Contractor

1. General

1.1. Standard of Performance

1.1.1. The Contractor shall perform the Services and carry out the Services 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 Contractor shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Procuring Agency, and shall at all times support and safeguard the Procuring Agency's legitimate interests in any dealings with the third parties;

1.1.2. The Contractor shall employ and provide such qualified and experienced Experts and Sub-Contractors as are required to carry out the Services.

1.2. Law Applicable to Services

The Contractor shall perform the Services in accordance with the Contract and in accordance with the Law of Pakistan and shall take all practicable steps to ensure that any of its Experts and Sub-Bidders, comply with the Applicable Law.

2. Conflict of Interests

2.1. Contractor Not to Benefit from Commissions and Discounts

The remuneration of the Contractor shall constitute the Contractor's sole remuneration in connection with this Contract or the Services, and the Contractor 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 Contractor shall use their best efforts to ensure that the Personnel, any Subcontractors, and agents of either of them similarly shall not receive any such additional remuneration.

2.2. Contractor and Affiliates Not to be Otherwise Interested in Project

The Contractor agree that, during the term of this Contract and after its termination, the Contractor and its affiliates, as well as any Subcontractor and any of its affiliates, shall be disqualified from providing Services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

2.3. Prohibition of Conflicting Activities

Neither the Bidder nor its Subcontractors nor the Personnel shall engage, either directly or indirectly, in any of the following activities:

2.3.1. during the term of this Contract, any business or professional activities in the Government's country which would conflict with the activities assigned to them under this Contract;

2.3.2. during the term of this Contract, neither the Contractor nor their Subcontractors shall hire public employees in active duty or on any type of leave, to perform any activity under this Contract;

2.3.3. after the termination of this Contract, such other activities as may be specified in the SCC.

3. Insurance to be Taken Out by the Contractor

3.1. The Contractor(a) shall take out and maintain, and shall cause any Subcontractors to take out and maintain, at its (or the Sub-contractors', as the case may be) own cost but on terms and conditions approved by the Procuring Agency, insurance against the risks, and for the coverage, as shall be specified in the SCC; and (b) at the Procuring Agency's request, shall provide evidence to the Procuring Agency showing that such insurance has been taken out and maintained and that the current premiums have been paid.

4. Contractor's Actions Requiring Procuring Agency's Prior Approval

4.1. The Contractor shall obtain the Procuring Agency's prior approval in writing before taking any of the following actions:

4.1.1. appointing such members of the Personnel not provided by the Contractor;

4.1.2. changing the Program of activities; and

4.1.3. any other action that may be specified in the SCC.

5. Reporting Obligations

5.1. The Contractor shall submit to the Procuring Agency the reports and documents in the numbers, and within the periods as prescribed by the Procuring Agency.

6. Liquidated Damages

6.1. Payments of Liquidated Damages

The Contractor shall pay liquidated damages to the Procuring Agency at the rate per day stated in the SCC for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the SCC. The Procuring Agency may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.

6.2. Correction for Over-payment

If the Intended Completion Date is extended after liquidated damages have been paid, the Procuring Agency shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in SCC.

6.3. Lack of performance penalty

If the Contractor has not corrected a Defect within the time specified in the Procuring Agency's notice, a penalty for Lack of performance will be paid by the Contractor. The amount to be paid will be calculated as a percentage of the cost of having the Defect corrected, assessed as specified in the Contractor

7. Performance Guarantee

7.1. Within the time stipulated in the acceptance letter from the Procuring Agency, the successful Bidder shall furnish the Performance Guarantee in shape and amount **specified in SCC**.

7.2. The proceeds of the Performance Guarantee shall be payable to the Procuring agency as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

7.3. The Performance Guarantee shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Procuring agency and shall be in the acceptable form as specified in **SCC**.

7.4. The Performance Guarantee will be discharged by the Procuring agency and returned to the Supplier not later than thirty (30) days following the date of completion of the Supplier's performance obligations under the Contract, including any warranty obligations, unless otherwise **specified in SCC**.

8. Sustainable Procurement

8.1. The Contractor shall conform to the sustainable procurement contractual provisions, if and as specified in the **SCC**.

D. Contractor's Personnel

1. Description of Personnel

1.1. The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the carrying out of the Services of the Contractor's Key Personnel. The Key Personnel listed by title as well as by name are hereby approved by the Procuring Agency.

2. Removal and / or Replacement of Personnel

2.1. Except as the Procuring Agency may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Contractor, it becomes necessary to replace any of the Key Personnel, the Contractor shall provide as a replacement a person of equivalent or better qualifications.

2.2. If the Procuring Agency 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 Contractor shall, at the Procuring Agency's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Procuring Agency.

2.3. The Contractor shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

E. Obligations of the Procuring Agency

1. Change in the Applicable Law

1.1. If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost of the Services rendered by the Contractor, then the remuneration and reimbursable expenses otherwise payable to the Contractor under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred in the SCC.

2. Services and Facilities

2.1. The Procuring Agency shall make available to the Contractor and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference, at the times and in the manner specified in the Terms of Reference.

2.2. In case that such services, facilities and property shall not be made available to the Contractor, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Contractor for the performance of the Services, (ii) the manner in which the Contractor shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Contractor as a result thereof.

F. Payments to the Contractor

1. Contract Price

1.1. The price payable shall be in Pakistani Rupees unless otherwise specified in the SCC.

2. Terms and Conditions of Payment

2.1. Payments will be made to the Contractor according to the payment schedule stated in the SCC and as per actual invoice submitted by the Contractor.

2.2. Unless otherwise stated in the SCC, the advance payment shall be made against the provision by the Contractor of a bank guarantee for the same amount, and shall be valid for the period stated in the SCC. Any other payment shall be made after the conditions listed in the SCC for such payment have been met, and the Contractor have submitted an invoice to the Procuring Agency specifying the amount due.

3. Quality Control Identifying Defects

3.1. The principle and modalities of Inspection of the Services by the Procuring Agency shall be as indicated in the SCC. The Procuring Agency shall check the Contractor's performance and notify him of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Procuring Agency may instruct the Contractor to search for a Defect and to uncover and test any service that the Procuring Agency considers may have a Defect. Defect Liability Period is as defined in the SCC.

4. Correction of Defects, and Lack of Performance Penalty

4.1. The Procuring Agency shall give notice to the contractor of any Defects before the end of the Contract. The Defects liability period shall be extended for as long as Defects remain to be corrected.

4.2. Every time notice a Defect is given; the contractor shall correct the notified Defect within the length of time specified by the Procuring Agency's notice.

4.3. If the contractor has not corrected a Defect within the time specified in the Procuring Agency's notice, the Procuring Agency will assess the cost of having the Defect corrected, the contractor will pay this amount, and a Penalty for Lack of Performance.

5. Settlement of Disputes Amicable Settlement

5.1. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

6. Dispute Settlement

6.1. Arbitration

If any dispute of any kind whatsoever shall arise between the procuring agency and the contractor in connection with or arising out of the Contract, including without prejudice to the generality of the foregoing, any question regarding its existence, validity or termination, or the execution of the contract, the parties shall seek to resolve any such dispute or difference by mutual consultation. If the parties fail to resolve such a dispute or difference even after negotiations or mediation, then the dispute shall be referred within fourteen (14) days in writing by either party to the Arbitrator, with a copy to the other party.

Any dispute in respect of which a notice of intention to commence arbitration has been given, in accordance with **GCC sub-clause 32.1**, shall be finally settled by arbitration. Arbitration may be commenced prior to or after completion of the Contract. Arbitration proceedings shall be conducted in accordance with Arbitration Act 1940. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless otherwise agreed. The Procuring Agency shall continue to pay the Contractor any undisputed amounts due under the Contract during the resolution of any dispute.



Special Conditions of Contract

SECTION VIII. SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the Conditions of Contract. The corresponding clause number of the GCC is indicated in parentheses.

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
	<p>Definitions</p> <p>The Procuring Agency is: Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).</p> <p>The Supplier is:</p> <p>The title of the subject procurement is: HBS Reinsurance Coverage for Property Damage & Machinery Breakdown</p>
GCC 2	<p>Applicable/Governing Law:</p> <p>The Contract shall be interpreted in accordance with the laws of Islamic Republic of Pakistan</p>
GCC 3	<p>Language:</p> <p>The language of the Contract, all correspondence and communications to be given, and all other documentation to be prepared and supplied under the Contract shall be in English.</p>

<p>GCC 4</p>	<p>Notices:</p> <p>The addresses for the notices are:</p> <p>Procuring Agency:</p> <p>Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province). +92-300-699-8576 aghafoor@pakre.org.pk</p> <p>Contractor/ Bidder:</p> <p>[Name, address and telephone number].</p> <p>The Contractor/ Bidder's Representative(s)</p> <p>[Name, address, telephone number and e-mail address]</p>
<p>GCC 6.1</p>	<p>The Authorized Representatives are:</p> <p>For the Procuring Agency:</p> <p>Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province). +92-300-699-8576 aghafoor@pakre.org.pk</p> <p>For the Bidder:</p> <p>Name:</p> <p>Designation:</p> <p>Address:</p>
<p>GCC 7</p>	<p>Effectiveness of the contract</p> <p>The Contractor/Bidder shall be effective within days from the date of signature of the Contract by both parties</p>

GCC 8	<p>Commencement of Contract:</p> <p>The Contractor/ Bidder shall provide Non-Consultancy Services from the effective date of contract.</p>
GCC 10.2	<p>Expiration of Contract:</p> <p>The time period shall be</p>
GCC 14	<p>Termination</p> <p>In the event of termination of the contract due to any reason as already defined in the General Conditions of Contract, the Bidder shall be responsible for providing to the Authority the Goods till the time of alternate arrangements.</p>
GCC 16	<p>Conflict of Interest:</p> <p>The Procuring Agency reserves the right to determine on a case-by-case basis whether the Bidder should be disqualified from providing goods or services due to a conflict of a nature described in Clause GCC 17.</p>
GCC 20	<p>Liquidated Damages</p> <p>If the Bidder fails to provide services as required under the contract or in case of any data loss/data breach or any incident compromising the data security or other such failures related to any services, the Bidder shall pay to the Procuring Agency as Liquidated Damages at a rate of 0.01% to 10.00% of the Contract value, in accordance with the extent of performance failure & the cost of investigating such incidents as judged by the Authority.</p>
GCC 21	<p>Performance Guarantee:</p> <p>The amount of performance guarantee shall be 0% of the contract price in acceptable form of Nil</p>
GCC 27	<p>Currency of Payment:</p> <p>All the payment to be released to the contractor/Bidder shall be in Pakistani Rupees.</p>
GCC 28	<p>Payment terms:</p> <p>Payment will be made to the Bidder against the procured Goods and services according to the actual invoice or running bills submitted by the Bidder against the services provided within the time given in the conditions of the contract.</p>

GCC 29	Identifying Defects: The Authority reserves the right at any time to inspect the premises of the provider to inspect the goods and monitor the goods being provided.



Following is the guidance for Dispute Resolution

1. If any dispute of any kind whatsoever shall arise between the Authority and the Bidder in connection with or arising out of the Contract, including without prejudice to the generality of foregoing, any question regarding its existence, validity, termination and the execution of the Contract – whether during developing phase or after their completion and whether before or after the termination, abandonment or breach of the Contract – the parties shall seek to resolve any such dispute or difference by mutual diligent negotiations in good faith within 14 (fourteen) days following a notice sent by one Party to the other Party in this regard.
2. At future of negotiation the dispute shall be resolved through mediation and mediator shall be appointed with the mutual consent of the both parties.
3. At the event of failure of mediation to resolve the dispute relating to this contract such dispute shall finally be resolved through binding Arbitration by sole arbitrator in accordance with Arbitration Act 1940. The arbitrator shall be appointed by mutual consent of the both parties. The Arbitration shall take place in Islamabad, Pakistan and proceedings will be conducted in English language.
4. The cost of the mediation and arbitration shall be shared by the parties in equal proportion however the both parties shall bear their own costs and lawyer's fees regarding their own participation in the mediation and arbitration. However, the Arbitrator may make an award of costs upon the conclusion of the arbitration making any party to the dispute liable to pay the costs of another party to the dispute.
5. Arbitration proceedings as mentioned in the above clause regarding resolution of disputes may be commenced prior to, during or after completion of the contract.

Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree that the Authority shall pay the Bidder any monies due to the Bidder.

Arbitrator's fee:

The fee shall be specified in Pak Rupees, as determined by the Arbitrator, which shall be shared equally by both parties.

Appointing Authority for Arbitrator:

By the Mutual Consent or in accordance with the provisions of Arbitration Act, 1940, in case the parties fail to reach a consensus on the name of sole arbitrator, any party may submit an application to the Chief Justice Islamabad High Court for appointment of sole arbitrator. The Chief Justice IHC may appoint a former judge of any High Court or Supreme Court as the sole arbitrator to resolve the dispute between the parties.

Rules of procedure for arbitration proceedings:

Any dispute between the Authority and a Bidder who is a national of the Islamic Republic of Pakistan arising in connection with the present Contract shall be referred to adjudication or arbitration in accordance with the laws of the Islamic Republic of Pakistan including Arbitration Act 1940, however above provision shall prevail in referring the case to the Arbitrator.

Place of Arbitration and Award:

The arbitration shall be conducted in English language and place of arbitration shall be at



Bid Securing Declaration

Form 9: Bid Securing Declaration

Date: *[insert date (as day, month and year)]*

Bid No.: **PI5029**

To: **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).**

We, the undersigned, declare that:

We understand that, according to your conditions, Bids must be supported by a Bid Securing Declaration.

We accept that we will be blacklisted and henceforth cross debarred for participating in respective category of public procurement proceedings for a period of (not more than) six months, if fail to abide with a bid securing declaration, however without indulging in corrupt and fraudulent practices, if we are in breach of our obligation(s) under the Bid conditions, because we:

1. have withdrawn or modified our Bid during the period of Bid Validity specified in the Form of Bid;
2. Disagreement to arithmetical correction made to the Bid price; or
3. having been notified of the acceptance of our Bid by the Procuring Agency during the period of Bid Validity, (i) failure to sign the contract if required by Procuring Agency to do so or (ii) fail or refuse to furnish the Performance Security or to comply with any other condition precedent to signing the contract specified in the Bidding Documents.

We understand this Bid Securing Declaration shall expire if we are not the successful

Bidder, upon the earlier of (i) our receipt of your notification to us of the name of the successful Bidder; or (ii) twenty-eight (28) days after the expiration of our Bid.



Contract Form

SECTION IX: CONTRACT FORMS

THIS AGREEMENT made the _____ day of _____ 20____ between **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).**

(hereinafter called “the Procuring Agency”) of the one part and [name of Bidder] of [city and country of Bidder] (hereinafter called “the Bidder”) of the other part:

WHEREAS the Procuring Agency invited Bids for provision of goods, viz., **HBS Reinsurance Coverage for Property Damage & Machinery Breakdown (PI5029)** and has accepted a Bids by the Bidder for the provision of Goods in the sum of [contract price in words and figures] (hereinafter called “the Contract Price”).

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Contract, In the event of any ambiguity or conflict between the Contract Documents listed below, the order of precedence shall be the order in which the Contract Documents are listed below:-

1. This form of Contract;
2. the Form of Bids and the Price Schedule submitted by the Bidder;
3. the Schedule of Requirements;
4. the Technical Specifications;
5. the Special Conditions of Contract;
6. the General Conditions of the Contract;
7. the Procuring Agency’s Letter of Acceptance; and
8. [add here: any other documents]

3. In consideration of the payments to be made by the Procuring Agency to the Bidder as hereinafter mentioned, the Bidder hereby covenants with the Procuring Agency to provide the Goods related services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Procuring Agency hereby covenants to pay the Bidder in consideration of the provision of Goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Contract to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the Procuring Agency)

Witness to the signatures of the Procuring Agency:

.....

Signed, sealed, delivered by _____ the _____ (for the Procuring Agency)

Witness to the signatures of the Bidder:





Integrity Pact

Integrity Pact

DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC. PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS IN CONTRACTS WORTH RS.10.00 MILLION OR MORE

Contract Number: Contract Value: Contract Title:

Dated:

[Name of Supplier] hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the foregoing [Name of Supplier] represents and warrants that it has fully declared the brokerage, commission, fee etc. paid or payable to anyone 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 its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultations 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 GoP, except that which has been expressly declared pursuant hereto.

[Name of Supplier] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GoP and has not taken any action or will not take any action to circumvent the above declaration, representative or warranty.

[Name of Supplier] accepts full responsibility and strict liability for making and false declaration, not making full disclosure, misrepresenting fact or taking any action likely to defeat the purpose of this declaration, representation and warranty. It 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 GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any rights and remedies exercised by GoP in this regard, [Name of Supplier] agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [Name of Supplier] 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 GoP.



Performance Guarantee Form

Performance Guarantee Form

To: **Pakistan Reinsurance Company Limited (PAKRE) (Ministry of Commerce), Procurement Specialist PRC Tower, 32-A, Lalazar Drive, M.T. Khan Road., Civil Line Sub-Division, Karachi South (District), Karachi (Division), Sindh (Province).**

WHEREAS *[name of Bidder]* (hereinafter called “the Bidder”) has undertaken, in pursuance of Contract No. *[reference number of the contract]* dated *[insert date]* for provision of Goods (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the Bidder shall furnish you with a Bank Guarantee by a reputable bank for the sum specified therein as security for compliance with the Bidder’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Bidders guarantee:

THEREFORE, WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Bidder, up to a total of *[amount of the guarantee in words and figures]*, and we undertake to pay you, upon your first written demand declaring the Bidder to be in default under the Contract and without cavil or argument, any sum or sums within the limits of *[amount of guarantee]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the: *[insert date]*

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]



Annexure

Terms & Conditions

Upload Document

See Form Under Additional Forms and Documents: **Terms & Conditions** (page number: 67)

Policy Wordings

Upload Document

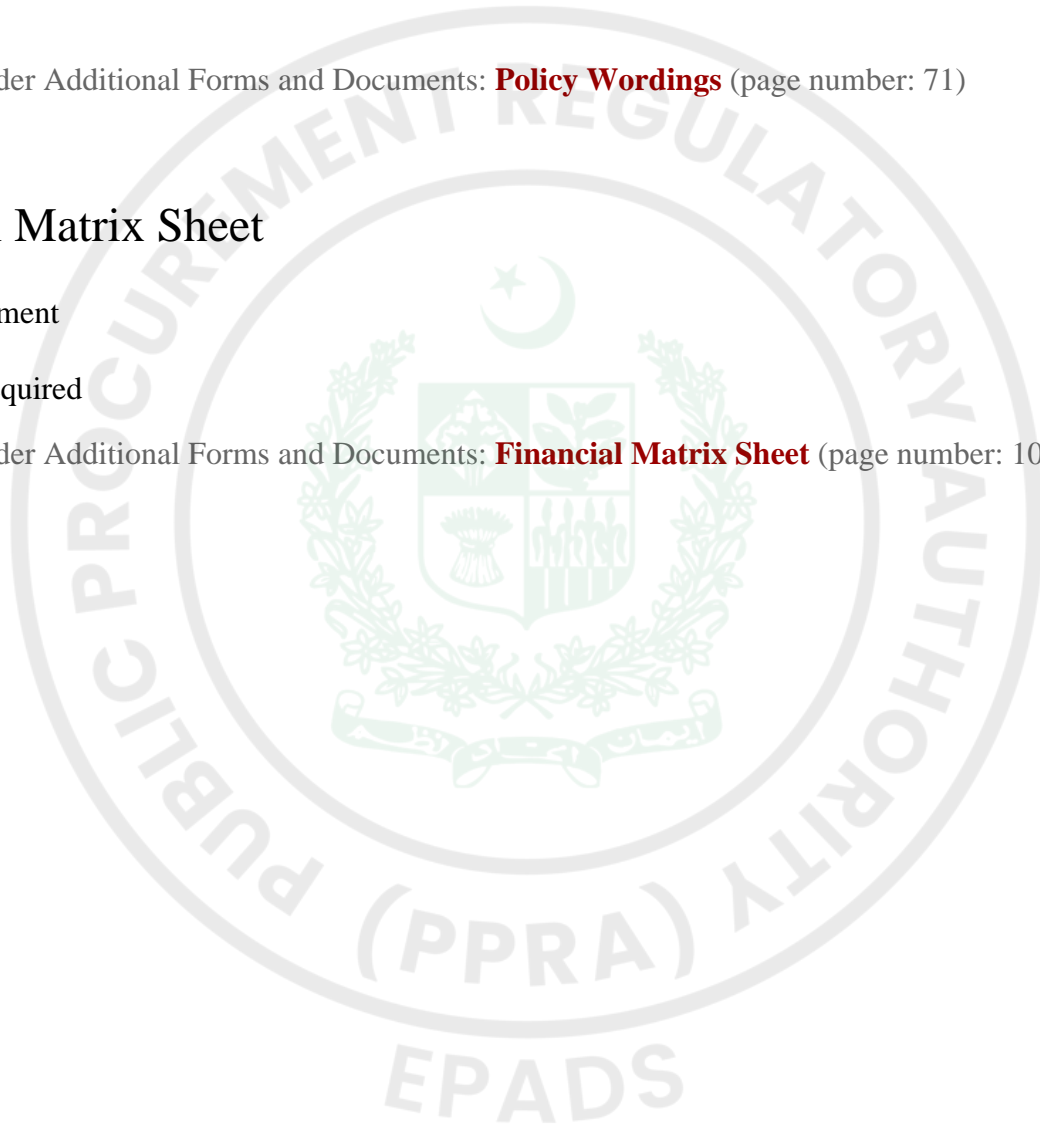
See Form Under Additional Forms and Documents: **Policy Wordings** (page number: 71)

Financial Matrix Sheet

Upload Document

Document Required

See Form Under Additional Forms and Documents: **Financial Matrix Sheet** (page number: 102)





Procurement Forms







Additional Forms and Documents



Pakistan Reinsurance Company Limited

(Under the administrative control of Ministry of Commerce, Government of Pakistan)

PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi, Pakistan

Ph: 021-99202908- 14 Fax: (92-21) 99202920-21 & 22

prcl@pakre.org.pk, Website: www.pakre.org.pk

TERMS AND CONDITIONS FOR TENDER NO. 138(PRCL-RETRO-HPP-PD/MBD/BI)/2026)

1. Bidder should be an international (re)insurance broker having an annual premium placement volume of at least USD 500 million, evidence of which must be submitted with bids. The international broker may submit the bid directly or through its local affiliate, who must have a valid SECP license, NTN, Sales Tax (if services are taxable), and on active taxpayers' list of FBR. PRCL may any time ask for a foreign and local broker's written agreement or MOU etc. Nevertheless, the (re)insurance premium will only be paid/transferred into a foreign broker's account, whose signed and stamped slips are submitted with bids and similarly, refund/adjustment premiums, Claims proceed, if any, should be transferred by the foreign broker directly into PRCL's account. Foreign brokers as well as local affiliates both are required to submit copies of their respective valid professional indemnity policies meeting regulatory requirements of their respective countries of registration.
2. One Bidder (international broker) can submit only one bid; more than one bid(s) received from one broker will be liable to rejection.
3. Bidder shall not be blacklisted by any Government Agency/Institution of Pakistan. The bidder shall affirm this condition in their technical submission. However, temporary blacklist firms/bidders can submit bids if the blacklisting period has ended before the bid submission date.
4. Bidder who wishes to participate in this tender shall also intimate the name, contact number, and e-mail address of its authorized representative. Only the authorized representative shall be allowed to communicate with PRCL, seek clarification, participate in pre-bid conference/bid opening, etc. Further please note that any email from local affiliated brokers, if sent without keeping in loop international broker, the same will not be entertained by PRCL. Hence, international brokers must be kept in the loop in all emails/correspondences with PRCL.
5. Bidder must submit a signed/ stamped compliance matrix that must be on foreign broker's letter-head with their Technical bid and premium calculations with their financial bid as per the format provided with this letter.
6. Bid should be a FIRM QUOTE (not an indication or subject to 'Best Terms'). Price change/variation after opening of bids may lead to disqualification of the bidder/rejection of the bid.
7. Leader's written confirmation must be submitted by the brokers to support any clarification/correction in their bid/policy wording that may be provided by them in response to PRCL's request.
8. Bid should be without any expressed or implied subjectivities/conditions/additional exclusions and warranties otherwise it may lead to disqualification.
9. All non-conditional discounts (e.g., Client and special Discounts etc) must be separately mentioned in the bid. PRCL will include these discounts in financial evaluation.



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10. All conditional discounts and bonuses (e.g., No claim bonus, prompt payment discount, and continuity discount) must separately be mentioned in the bid. Being conditional such discounts/bonuses whether upfront or otherwise, will not be included in the financial evaluation/comparison. Only in case of a tie such conditional discounts/bonuses will be included in comparison.
11. Bidder shall ensure that the lead reinsurer, whose quote is being submitted, shall later be reflected in the placement sheet with the required lead share. The cover note/policy wording must also be signed by the same leader with the share quoted in bids.
12. Bidder must provide risk-wise break up along with the premium for each section as well as the aggregate premium in their financial bid. A computation sheet summarizing the gross premium/price to net premium/price working shall also be submitted
13. The bidder whose submission (i) is compliant with evaluation criteria and other conditions of the bidding documents and client requirements and (ii) having lowest evaluated bid (excluding PRCL/NICL commission) shall be declared as the successful bidder.
14. Successful bidder shall complete placements at the earliest but not later than 15 days from the date of issuance of the placement order.
15. The size of reinsurance order to the winning broker of this tender shall be advised by the PRCL at the time of order placement that may vary from the reinsurance order placed with the incumbent broker for the expiring period.
16. If requested by the client or circumstances so warrant during the reinsurance period, the incumbent brokers may be asked for amendment(s) in the scope of cover &/or additions / deletions in the items covered &/or increase / decrease in the sum(s) insured / limit(s) of liability / deductible(s) etc. The terms and conditions of these endorsements will be mutually agreed upon by all the parties involved.
17. If requested by the client or circumstances so warrant the incumbent brokers may be asked to arrange extension(s) in the period of reinsurance cover. The time span of such extension(s) may be for one or more full policy periods or less than a full policy period. The terms and conditions of these extensions will be mutually agreed upon by all the parties involved. Further, in case a discount is offered by the incumbent brokers/reinsurers in lieu of an LTA (Long Term Agreement) or Extension of the reinsurance covers for multiple years, the same may be accepted by PRCL on insured's approval thereto.
18. In case of appointed brokers' poor services especially with regards to the claim(s) recoveries under the cover in question whether slow &/or no response to the client's/PRCL's emails/correspondence &/or delay in collection of claims proceeds from the relevant reinsurers &/or delay in transferring claims proceeds so collected to PRCL, the contract awarded to the brokers as a result of this tender may be discontinued before completion of its full period and the brokers (foreign and their local affiliates) may also be debarred from participating subsequent PRCL tenders till their issues are resolved to the full satisfaction of PRCL.



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19. Name of the leader(s) along with the country of origin and current rating must be advised by the bidders at the time of submitting the bid. Share of the lead reinsurer must be at least 15% and not more than 25% and must hold at minimum "A" rating per S&P/ AM Best/ Moodys/ Fitch that should be clearly confirmed by the bidder in their technical Bid.
20. The remaining risk must also be placed with minimum "A-" securities or above as per the rating signed by S&P/ AM Best/ Moody's/Fitch. Underwriting agencies who write the risk on behalf of minimum A- rated securities (signed by S&P/ AM Best/ Moody's/Fitch) are allowed to be used as follow/support market up to 20% of 100%, but in no case any underwriting agency (irrespective of its principal or owner) is allowed to be used as leader. Further, Takaful/Re-takaful/Operator/Company are not allowed even as a follower.
21. Quoted rate must be valid at least for 45 days from the date of bid opening and the bidder must affirm this in their technical submissions.
22. Premium Payment Warranty (PPW) should be of 90 days from the inception of the policy period.
23. The quote submitted by the bidder should include 10% reinsurance commission that must be paid to NICL/PRCL by the successful bidder. Further, the bidder should provide stepwise computation to arrive at the 100% Net to Broker Amount from the 100% markets gross premium i.e. deduction(s) of discounts and reinsurance commission payable to NICL/PRCL etc.
24. No additional premium or differential premium other than the leader's quoted rate/ premium shall be allowed. Therefore, the Broker has to complete the 93.50% placement within the leader's quoted rate.
25. PRCL has the right to cancel the contract at any time if it is found that the bidder was non-compliant with the terms and conditions regarding placement mentioned in the bidding documents. However, in case of non-compliance, 15 days' time to comply shall be given. In case of failure, PRCL may take action as deemed appropriate.
26. In the event of a dispute arising between PRCL and the successful bidder/ reinsurers, out of or in connection with the contract, such dispute shall be amicably settled through negotiations. If the dispute remains unsettled for 30 days, the parties may resort to Arbitration. The Arbitration shall be subject to the Arbitration Act of 1940 (Pakistan Law). The law and jurisdiction for arbitration/litigation must be that of the **Islamic Republic of Pakistan**.
27. Any query relating to the risk should be shared with PRCL 05 days prior to the bid opening date.
28. Direct Communication by the broker with the client/insured/NICL without keeping in loop the procuring agency i.e. PRCL is against the rules hence not allowed at any stage of the tender and even after placement of reinsurance order as well as during/after currency of reinsurance cover. If it is done, it may lead to disqualification of that broker. Requests for road shows and risk surveys should also be addressed to PRCL only without involving NICL and insured, as PRCL will take-up such requests of brokers with them and revert.



Pakistan Reinsurance Company Limited

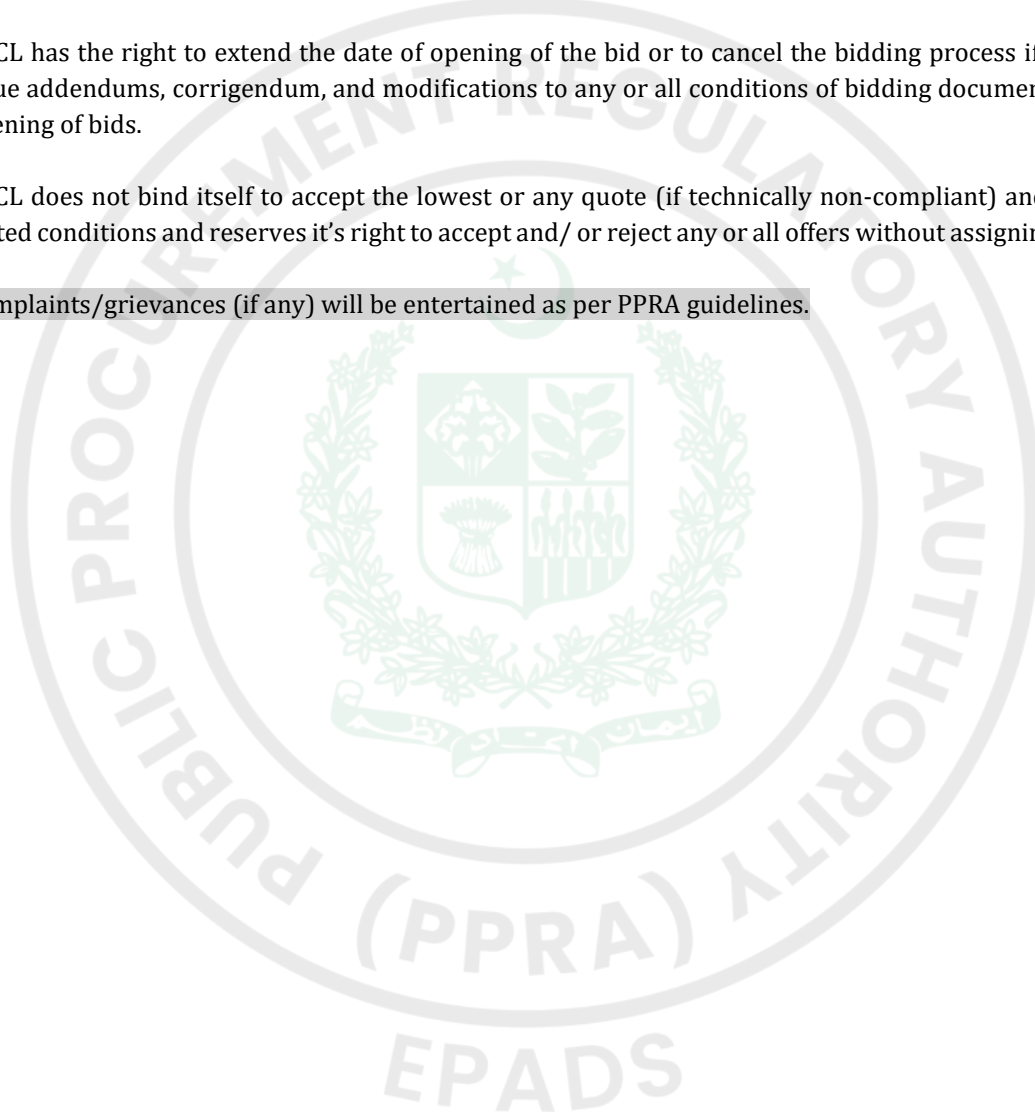
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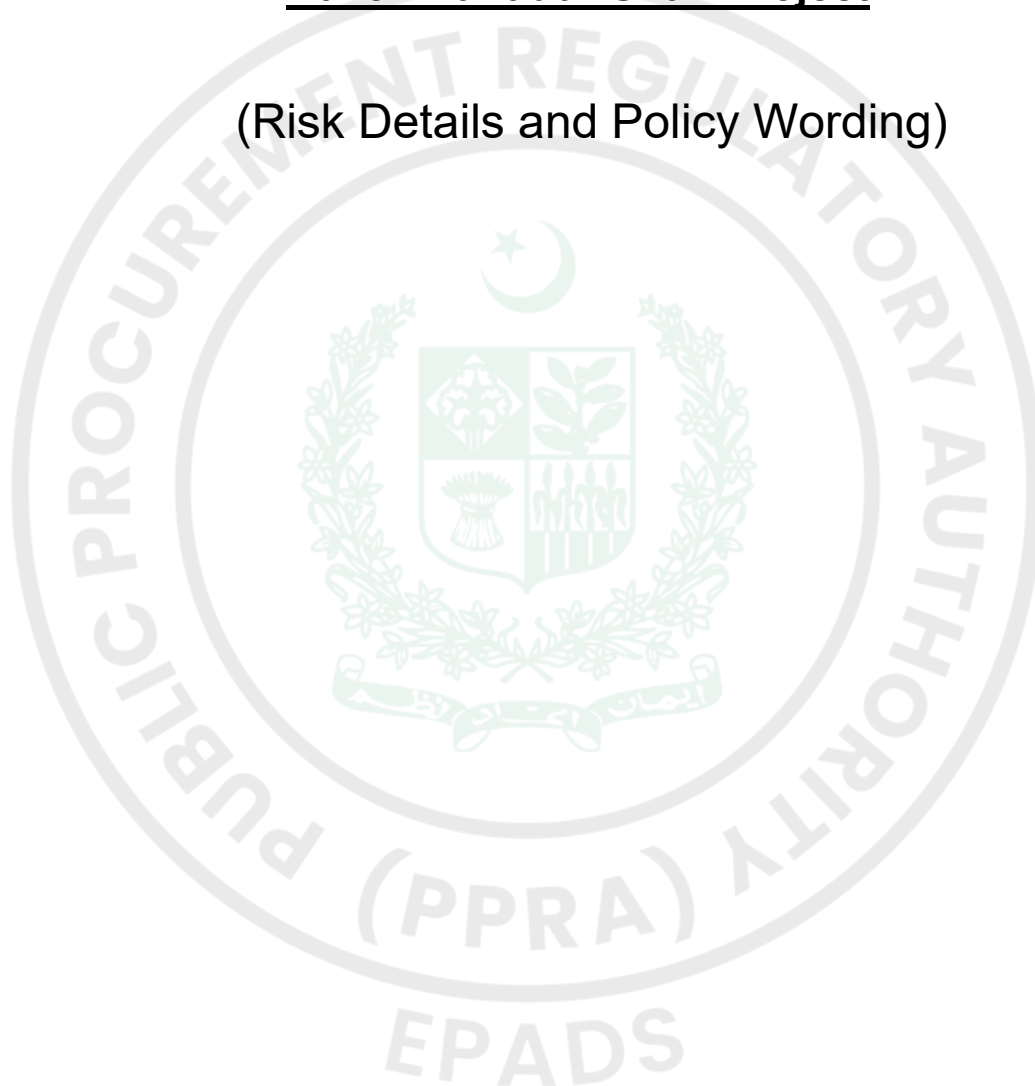
29. If any participants/brokers use unethical/threatening wording/language it may lead to their disqualification.
30. Internal Procurement committee comprising Incharge/Head of Retrocession, Procurement Specialist (to act as convener of the committee as well), and Chief Financial Officer (CFO), shall evaluate all bids.
31. PRCL has the right to extend the date of opening of the bid or to cancel the bidding process if required, and issue addendums, corrigendum, and modifications to any or all conditions of bidding documents prior to the opening of bids.
32. PRCL does not bind itself to accept the lowest or any quote (if technically non-compliant) and as per above stated conditions and reserves it's right to accept and/ or reject any or all offers without assigning any reasons.
33. Complaints/grievances (if any) will be entertained as per PPRA guidelines.



Policy Slip and Wording forming part of Technical and Financial Proposal for the provision of Lead Reinsurance Terms (Operations All Risk including Property Damage/Business Interruption) (Operations Phase) for National Power Parks Management Company Limited

Haveli Bahadur Shah Project

(Risk Details and Policy Wording)



TYPE: "All Risks" of physical loss or damage to the Property Insured including Machinery Breakdown and Business Interruption occurring during the period of insurance by any cause not otherwise excluded as defined in the Original policy.

REINSURED: -----

ADDRESS: -----

ORIGINAL INSURED: **Section 1**
i) The Principal and Subsidiary or affiliated companies: National Power Parks Management Company (Private) Limited
ii) The Power Purchaser: Central Power Purchase Agency (Guarantee) Limited
iii) The EPC contractors: Power China – Qavi Joint Venture of Power Construction Corporation of China and Qavi Engineers (Pvt) Limited
iii) All Other Contractors, Sub-contractors and agents of any tier.
iv) Consultants, Suppliers and vendors all of any tier, while carrying out physical work associated with the project on or about the project site or caused by their physical presence on or movement about the Project Site.
v) Financiers and/or Funders, National Bank of Pakistan in its capacity as Security Trustee and Co-loss Payee for the Working Capital Financiers.
vi) Lender's Technical Consultants
vii) The employees, Directors, or officers of any of the above
viii) Government of Pakistan
ix) Including all such parties, whether named hereunder or not, or whether appointed prior to the inception of this Contract of Reinsurance or subsequently.
x) SEPCO III as O&M Contractor for their onsite activities only
xi) General Electric as LTSA Contractor for their onsite activities only

Each for their respective rights and interests

Section 2
The Principal and any subsidiary or affiliated companies: National Power Parks Management Company (private) Limited

Financiers and/or Funders: National Bank of Pakistan in its capacity as Security Trustee for the Working Capital Financiers.

Each for their respective rights and interests.

All as defined in the Original policy.

PERIOD: From. July 01, 2026 to June 30, 2027
both dates inclusive local standard time at the location of the property insured.

This policy period may be extended for any period(s) requested by insured at the same terms and conditions or as amended by mutual understanding with the insurer(s) / reinsurer(s).

INTEREST:

Section 1 - Property "All Risks" (including Machinery Breakdown and HRSG/Boiler Explosion)

All material property (or part thereof) fixed, mobile or in transit including stocks, of every kind and description not otherwise excluded, either owned, leased, hired or borrowed by any of the Insured or held in the care, custody or trust of any of the Insured or for which any of the Insured are responsible or have assumed responsibility all forming part of or in connection with the Complex Facilities

Section 2 - Business Interruption Insurance

The reduction in Gross Revenue and/or Capacity Charges actually sustained including continuing contractual obligations and the increased cost of working if at any time during the period of insurance any property suffers insured damage, covered under Section 1 above, causing interference with or interruption to the Plant as defined in the Original Policy(ies).

REINSURER'S LIMIT OF LIABILITY:

Section 1:

USD 891,420,000 each and every occurrence

Section 2:

USD 101,000,000 each and every occurrence

INDEMNITY PERIOD:

Section 2 18 months

PRINCIPAL CLAUSES:

All sub-limits are for each and every Occurrence and in excess of the Deductible unless otherwise specified and are part of and not in addition to the overall limit specified.

Schedule of Sub-limits (100%)

Section 1 - Property "All Risks" including Machinery Breakdown and Boiler Explosion

Professional Fees	USD 10,000,000;
Debris removal and temporary repairs clause	10% of loss, maximum USD 25,000,000
Additional costs of complying with public/local authority requirements	10% of loss, maximum USD 10,000,000;
Cost of labour and computer time	

expended in reproducing documents or computer records	USD 1,000,000;
Temporary Removal	USD 10,000,000;
Escalation in Sum Insured maximum	20% of Sum Insured
Expediting expenses and additional hire charges	10% of loss, maximum USD 10,000,000;
Additional overtime, night work, holiday work, express freight costs and custom duties	USD 10,000,000
Property in the course of construction	USD 10,000,000;
Capital additions (sub-advised within 90 days)	10% of Section 1 Sum Insured, maximum USD 25,000,000;
Trace and Access	USD 1,000,000
Fire Fighting Expenses	USD 10,000,000
Loss or Destruction caused by Accidental Pollution or Contamination	USD 10,000,000 any one occurrence,
Property in Transit	USD 10,000,000
Minimization Cost	USD 10,000,000
<u>Section 2 - Business Interruption</u>	
Professional Fees	USD 1,000,000;
Denial of access following damage within 5km of site	maximum 30 days;
Utilities clause	USD 20,000,000 maximum 30 days excess of 7 days;
Named Suppliers and Customers premises clause following loss or damage as provided under Section 1	USD 25,000,000;
Rent/Utilities	USD 5,000,000
Property away from the Premises and in Transit	USD 1,000,000
Alternative Premises	USD 5,000,000
<u>PRINCIPAL EXCLUSIONS</u>	Including but not limited to:

Section 1 - Property "All Risks" including Machinery Breakdown and Boiler Explosion

The cost of making good:

(a) latent defects, defective materials and/or workmanship, faulty design, plan or specification other than to plant or machinery in circumstances where such faults or defects give rise to Machinery Breakdown
(b) Wear and tear or gradual deterioration, rust, mould, erosion, corrosion or oxidation, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insect damage

(c) any part of the Property Insured which is defective due to normal settlement, cracking or expansion of the buildings but the Exclusions (a) – (c) above shall be limited to the part of the property immediately affected and shall not apply to any Damage resulting from an ensuing cause which is not otherwise excluded; Fraud;

Damage to plant resulting from experiments or overload or similar tests requiring the imposition of abnormal conditions (other than overload or similar tests carried out with the approval of the manufacturer or by normal rules of good operational practice) but this exclusion and shall not apply to any loss destruction or damage resulting from an ensuing cause which is not otherwise excluded;

Damage solely attributed to change in the water table level; Pollution and or contamination other than following insured damage;

The costs of normal upkeep or normal making good; Disappearance.

Section 2 - Business Interruption

Non-availability of funds;

Fines and penalties other than in respect of continuing contractual obligations; Loss of license.

Section 1 Property "All Risks" including Machinery Breakdown and HRSG/Boiler Explosion and Section 2 Business Interruption

War, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power confiscation, requisition, sequestration, nationalization or similar act; Terrorism;

Nuclear Risks;

Electronic Data Endorsement A NMA2914 (amended)

Political Risks;

Transmission and Distribution lines beyond 1,000 feet of site perimeter.
Seepage and/or Pollution and/or Contamination Exclusion NMA 1999B
Institute Radioactive Contamination, Chemical, Biological and
Electromagnetic Weapons Exclusion Clause CL370
LMA 5400 Property Cyber and Data Endorsement
LMA 5062 Fraudulent Claims Clause
LMA 5393 Communicable Disease Endorsement
Exclusion Clause for scanned Crude Oil
LMA 5583 A Territorial Exclusion
Political Demonstration or Motive Exclusion
Endorsement
Sanction Limitation and Exclusion Clause
NMA 2919 War & Terrorism Exclusion Endorsement

ORIGINAL
POLICY
DEDUCTIBLES:

SECTION 1.

USD 1,500,000 each and every occurrence in respect of Machinery Breakdown of the Gas Turbine Generator Sets

USD 750,000 each and every occurrence in respect of Machinery Breakdown on the Steam Turbine Generator Sets, Heat Recovery Steam Generators and Main Transformers.

USD 250,000 each and every occurrence all other losses

SECTION 2

60 days each and every occurrence in respect of Machinery Breakdown of the Gas Turbine Generator Sets

30 days every occurrence or series of occurrences in respect of machinery breakdown on the Steam Turbines Generator, Sets, Heat Recovery Steam Generators and Main Transformers

30 days each and every occurrence or series of occurrences in respect of all other losses
The 'period' shall commence on the day that the business is first interrupted or interfered with and shall end the number of days specified as the Deductible thereafter.

In the event of a claim involving more than one Deductible, it is agreed that only the highest single deductible will apply per Section of this Policy.

CONDITIONS:

This reinsurance will follow the terms and conditions of the Original policy in all respects and will follow the settlements of the Original policy, in each case save insofar as any express term on this reinsurance provides otherwise.

The attached document is deemed to be the Original Policy wording for the purpose of Policy issuance.

However, it is agreed by the Reinsured that the Reinsurers hereto shall not be liable for any settlements made or payments or costs paid by the Reinsured in respect of cover provided under the Original Policies:

- a) which are explicitly excluded by the Original Policy;
- b) for limits in excess of those explicitly provided by the Original Policy

unless (in respect of (a) above) the Reinsured has been obliged to make the settlement or payment or pay costs by reason of cover required to be provided under the Original Policies by statutory or regulatory provisions or by established market practice or by an established market wording which is accepted throughout the jurisdiction of such Original Policy

Section 1: Property Damage

- Basis of Indemnity
- Automatic Reinstatement of Sum Insured at Nil Additional Premium
- 72 Hour Clause
- Permission and Privileges
- Custom Duties

Section 2: Business Interruption

- Payment on Account
- Material Damage Waiver
- Average Daily Value
- Accumulated stocks

Applicable to All Sections

- Security Cancellation Clause as included herein.
- Claims Control Clause NMA-2938/LMA 5073
- Lenders Reinsurance Policy Endorsements as included herein.
- Asbestos Clause;
- Automatic reinstatement of sum insured at Nil Additional Premium
- Interim payment clause;
- Inadvertent Errors and Omissions;
- Lender insurance policy endorsements;
- Severability of interests.
- Waiver of rights of subrogation against all the insured parties including their affiliates, officers and employees.
- Minimization Costs
- Strike Riot Civil Commotion or Malicious Damage
- Mold exclusion
- Material Change
- Claims
- Subrogation

- Arbitration
- Multiple Insured Clause
- Claims Preparation Costs
- Permission to Examine
- Other Interests
- Nominated Loss Adjusters
- Applicable Law
- Exchange Rate Variation

TERRITORIAL LIMITS:

Pakistan but for temporary removal worldwide as defined in the original policy

CHOICE OF LAW & JURISDICTION:

The following applies only in the event that the Policy or Form does not include its own Law and Jurisdiction clause:

Any dispute concerning the interpretation of the terms, Conditions, Limitations, Exceptions and/or Exclusions of the policy are understood and agreed by both the (Re)Insured and the (Re)Insurers to be subject to Pakistani Law.

Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within Pakistan and to comply with all requirements necessary to give such court jurisdiction.

All matters arising hereunder shall be determined in accordance with the law and practice of such court.

PREMIUM (Section 1):

USD _____ (100%) Annual

PREMIUM (Section 2 (i))

USD _____ (100%) Annual

PREMIUM PAYMENT TERMS:

Premium is payable lumpsum within 90 days of inception of policy term.

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non-payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid to (Re)Insurers within ninety (90) days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 120th day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 30 days prior notice of cancellation to the (Re)Insured via the broker under intimation to the Insured. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

30/09/08
LSW3001

INFORMATION

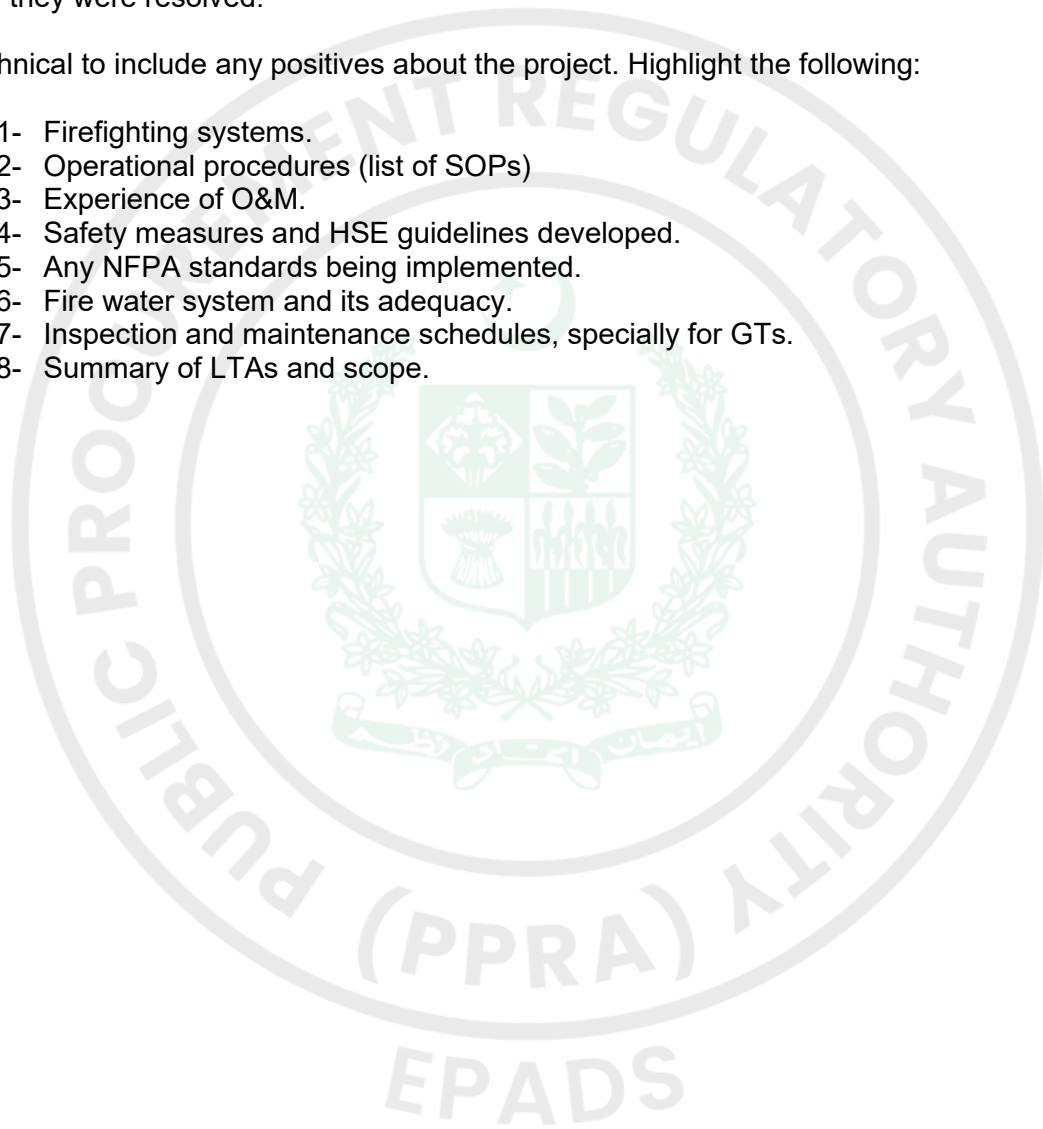
Underwriting submission prepared by Marsh Ltd noted by underwriters hereon

Project Summary Information seen and noted by underwriters hereon

NPPMCL to prepare a summary of project progress during construction, including any issues and how they were resolved.

Technical to include any positives about the project. Highlight the following:

- 1- Firefighting systems.
- 2- Operational procedures (list of SOPs)
- 3- Experience of O&M.
- 4- Safety measures and HSE guidelines developed.
- 5- Any NFPA standards being implemented.
- 6- Fire water system and its adequacy.
- 7- Inspection and maintenance schedules, specially for GTs.
- 8- Summary of LTAs and scope.

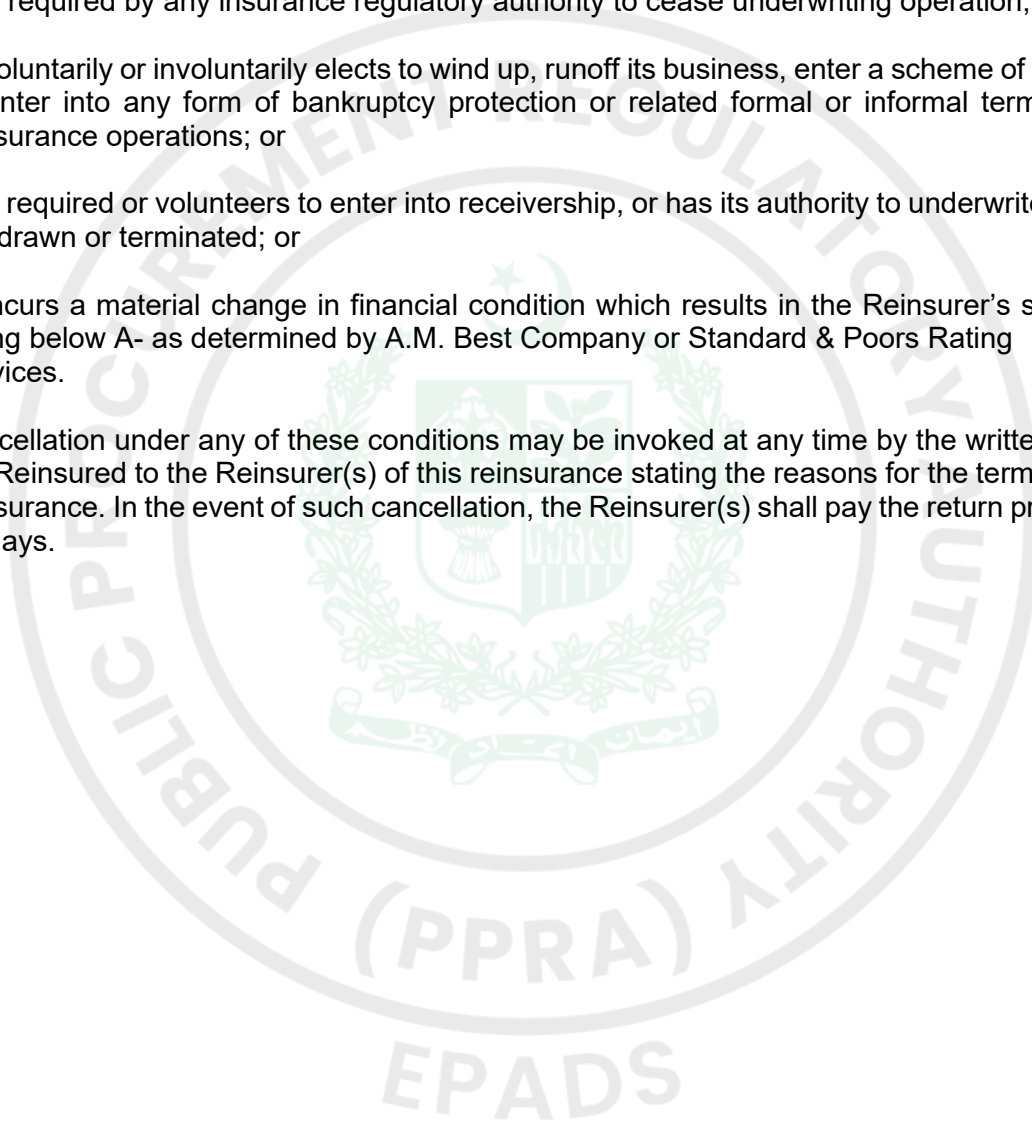


Security Cancellation Clause

The Reinsured is entitled to cancel this reinsurance at any time on a pro-rata basis if the Reinsurer(s):

1. Publicly announces its intention to discontinue underwriting a class or category of business similar to this reinsurance; or
2. Is required by any insurance regulatory authority to cease underwriting operation; or
3. Voluntarily or involuntarily elects to wind up, runoff its business, enter a scheme of arrangement, or enter into any form of bankruptcy protection or related formal or informal termination of its reinsurance operations; or
4. Is required or volunteers to enter into receivership, or has its authority to underwrite reinsurance withdrawn or terminated; or
5. Incurs a material change in financial condition which results in the Reinsurer's security rating falling below A- as determined by A.M. Best Company or Standard & Poors Rating Services.

Cancellation under any of these conditions may be invoked at any time by the written notice from the Reinsured to the Reinsurer(s) of this reinsurance stating the reasons for the termination of this reinsurance. In the event of such cancellation, the Reinsurer(s) shall pay the return premium within 30 days.





LENDERS REINSURANCE POLICY ENDORSEMENTS

To be attached if applicable.



**Property Damage and Business Interruption Insurance
Policy**

SECTION 1 – PROPERTY DAMAGE

1.1 Insuring Clause

The Insurer will indemnify the Insured, subject to the Terms of this Policy, against physical loss, destruction or damage including Machinery Breakdown by any cause other than those excluded to the Property Insured as described in the Schedule occurring during the period of insurance.

In the event of any indemnifiable loss or damage, the amount payable hereunder shall not reduce the respective Sums Insured / Limits stated in the Schedule, and thus this insurance will be maintained in full during the currency of the Policy.

1.2 Exclusions Applicable to Section 1

The Insurer shall not be liable for:

1.2.1 the cost of making good:

(a) latent defects, defective materials and/or workmanship, faulty design, plan or specification other than to plant or machinery in circumstances where such faults or defects give rise to Machinery Breakdown

(b) wear and tear or gradual deterioration, fatigue, rust, mould, erosion, corrosion or oxidation, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insect damage

(c) any part of the Property Insured which is defective due to normal settlement, cracking or expansion of the buildings but the Exclusions a) - c) shall be limited to the part of the property immediately affected and shall not apply to any Damage resulting from an ensuing cause which is not otherwise excluded.

1.2.2 loss destruction or damage to plant resulting from experiments or overload or similar tests requiring the imposition of abnormal conditions (other than overload or similar tests carried out with the approval of the manufacturer or by normal rules of good operational practice) but this exclusion shall not apply to any loss destruction or damage resulting from an ensuing cause which is not otherwise excluded.

The checking of the correct working of the plant shall not be considered to be testing or experimenting.

1.2.3 loss, destruction or damage solely attributed to change in the water table level.

1.2.4 loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) loss or destruction or damage to the Property Insured caused by:-

(a) pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers taking part in labour disturbances malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal;

(b) any of the perils listed in 1.2.4. (a) above which itself results from pollution or contamination;

(c) pollution or contamination which itself results from accidental damage but not exceeding USD 10,000,000 any one occurrence,

(d) accidental damage which itself results from pollution or contamination but not exceeding USD 10,000,000 any one occurrence.

1.2.5 the costs of normal upkeep or normal making good.

1.2.6 acts of fraud or dishonesty committed by employees.

1.2.7 disappearance unexplained or inventory shortage misfiling or misplacing of information.

1.3 Memoranda Applicable to Section 1

The Insurer will indemnify the Insured under this Section of the Policy in respect of the following:

1.3.1 Professional Fees

Architects, surveyors, consulting engineers, claim advisors and other professional fees, necessarily and reasonably incurred in the repair, reconstruction or replacement of the Property Insured consequent to accidental physical loss or accidental physical damage indemnified, provided that the amount payable under the terms of this Memorandum shall not exceed the scale of fees in normal use by such professions. The basis of such fees shall be agreed in advance by the Nominated Loss Adjuster. The amount payable per loss shall not exceed the limits stated in the Schedule for this item.

1.3.2 Automatic Reinstatement

The Sum Insured / Limits under this Policy shall not be reduced by the amount of any loss and Insurers waive any additional premium due in respect of such reinstatement of the Sum Insured / Limits except for those amounts subject to aggregate limitations

1.3.3 Removal of Debris and Temporary Repairs

In the event of loss destruction or damage covered by this Policy to the Property Insured all costs and expenses necessarily incurred by the Insured for:

- a) debris removal and disposal from the insured premises;
- b) dismantling, demolishing, shoring up or propping up;
- c) temporary repairs carried out for the purpose of preventing further damage or for the protection of life;
- d) cleaning and/or repairing drains and service mains on site;
- e) debris removal or cleanup costs at the insured premises arising from pollution or contamination to the Property Insured covered by this Policy;

The amount payable shall not exceed 10% of the amount of loss subject to a maximum of not exceeding the limit stated in the Schedule for this item.

1.3.4 Public Authorities' Clause

Additional costs as may be necessarily incurred in reinstating in compliance with the Building or other regulations bye-laws or requirements of any Government Department or Municipal or Local Authority the portion or portions of the Insured Property destroyed or damaged provided that the amount recoverable shall not include the additional cost incurred in complying with any of the aforesaid regulations or requirements with which the Insured has been required to comply prior to the happening of the destruction or damage.

The amount payable shall not exceed the limit stated in the Schedule for this item.

1.3.5 Documents and Computer Systems

The cost of labour and/or computer time expended in reproducing documents manuscripts or computer system records (including any expenses in connection with the production of information to be recorded therein) but not for the value to the Insured of the information contained therein but limited to the limits stated in the Schedule for this item.

1.3.6 Property in Transit and Temporarily Removed

Notwithstanding anything contained herein to the contrary and subject otherwise to the Terms of this Policy, this Policy will indemnify the Insured, in respect of accidental physical loss of or accidental physical damage to Property Insured, while said property is temporarily removed and/or being transported by road, rail or inland waterway (including loading and unloading) to the site or temporary off-site storage facilities, other than during ocean marine or air transit, provided that (a) said property is owned, or is in the custody, care or control of the Insured; and (b) the transits insurance hereunder shall only indemnify the Insured to the extent that such loss or damage is not recoverable under any other insurance. The amount payable under this Memorandum shall not exceed the limits stated in the Schedule for this item.

1.3.7 Escalation of Sum Insured

If the value of the Property Insured shall exceed the total Sum Insured as specified in the Schedule, the total Sum Insured shall be increased automatically so that it is equal to such value, subject, however, to the increase not exceeding in any case the limits stated in the Schedule for this item.

1.3.8 Basis of Indemnity

In the event of Property Insured being lost destroyed or damaged the basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the property lost destroyed or damaged. For the purposes of this Insurance "reinstatement" shall mean the carrying out of the after mentioned work namely: -

(a) where property is lost or destroyed the rebuilding of the property if a building or in the case of other property its replacement by similar property in either case in a condition equal to but not better or more extensive than its condition when new;

(b) where property is damaged the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

The property lost destroyed or damaged may be reinstated or replaced upon any other site where-so-ever situate at the absolute discretion of the Insured and in any form or manner suitable to the requirements of the Insured subject to the liability of Insurers not being thereby increased.

Where Property Insured is damaged the Insured may repair or replace the Property Insured with equivalent property which employs current technology provided that such repair or replacement does not exceed the cost to repair, replace, rebuild or reinstate the lost, destroyed or damaged Property Insured.

When any Property Insured is damaged or destroyed in part only the liability of Insurers shall not exceed the sum representing the cost which Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.

Providing that the Insurer's limit of indemnity is not increased beyond the amount that would otherwise have been payable for the replacement or repair of the property in an identical manner to that which had been damaged, this Policy further extends to include the replacement of undamaged Property Insured insofar as it is necessary to adapt the remainder of the undamaged Property Insured to operate in conjunction with that Property Insured which has been damaged and repaired or replaced.

In the event of damage to Property Insured there shall be no obligation on the Insured to reinstate or replace such property. If such Property Insured is not reinstated or replaced the Insured shall nevertheless be entitled to receive as indemnity the amounts payable calculated in accordance with this reinstatement condition as if such reinstatement or replacement had been effected in accordance with the agreed basis of this condition. However, if such Property Insured was, at the time of such damage, clearly intended for demolition or decommissioning then the amount payable shall be the actual cash value of the damaged Property Insured.

In respect of any indemnifiable loss or damage, the Insurer agrees to make reasonable payments on account.

1.3.9 72 Hour Clause

In the event of any accidental physical loss of or accidental physical damage to the Property Insured (whether in the course of being repaired or not) caused by or due to windstorm, flood or earth movement, strikes, riots, civil commotions and malicious damage during the Period of Insurance as indemnifiable under Section 1, and occurring during any one period of 72 consecutive hours, it is agreed that such loss or damage is deemed to be one occurrence and, moreover, that the commencement of any such 72 consecutive hours period may be decided by the Insured, provided that no overlapping occurs in any two or more such periods.

1.3.10 Expediting Expenses and Additional Hire Charges

Notwithstanding anything contained herein to the contrary, the Insurer hereby agree to indemnify the Insured in respect of the difference in costs between those calculated at normal or standard rates of reimbursement, and those actually incurred for overtime, weekend, public holiday and shift working, and for express freight (including air freight) and customs duties; provided that:

(a) such costs are necessarily and reasonably incurred by the Insured for the purpose of preventing or minimizing an interference of or interruption to the commercial operation of the Property Insured solely due to accidental physical loss or damage as indemnified under Section 1; and

(b) such costs shall not exceed 10% of the loss subject to a maximum of the limits stated in the Schedule for this item.

It is agreed that the cover provided by this Memorandum does not include any costs incurred in altering or improving the design, the materials used or to be used, or the workmanship relating to the permanent or temporary works.

1.3.11 Property in the Course of Construction

Loss destruction or damage to property in the course of construction, installation or erection where the contract value of the project does not exceed the limits stated in the Schedule for this item.

For the purposes of this Memorandum the Insured is extended to include any contractor(s) and sub-contractor(s) of whatsoever tier to the extent necessary to comply with any contract.

1.3.12 Capital Additions

This policy extends to cover within the Territorial Limits up to the sub-limit stated below for

- a) any newly acquired or newly erected property insofar as the same is not otherwise insured and
- b) alterations, additions and improvements to existing structures at the site
- c) additional rent where the Insured is responsible for effecting specific insurance thereon provided that the liability of Insurers under this Memorandum shall not exceed the limits stated in the Schedule for this item.

1.3.13 Permission and Privileges

Permission is granted to the Insured or any other party acting on behalf of the Insured to effect contracts or agreements customary or necessary for the execution of the project and / or its operations. Under such written contracts or agreements the Insured may assume liability or grant releases therefrom, without prejudice to this Insurance.

This is, however, provided such contracts or agreements, insofar as they affect any loss hereunder, are concluded prior to such loss, and the rights and obligations of the Insurers shall be governed by the terms of such contracts or agreements, provided that such actions would be that of a prudent insured.

These above permissions shall not extend the coverage or limits of this Insurance beyond the terms and conditions of this Policy.

1.3.14 Fire Fighting Expenses

The cost of firefighting expenses necessarily incurred by the Insured to prevent or minimize the extent of any loss or damage to the property insured hereunder including the costs of materials expended, refilling fire extinguishing appliances and replacing used sprinkler heads, wages of personnel specifically engaged for such tasks and all firefighting costs claimed against the Insured by a public authority or fire brigade subject to a sub limit not exceeding the limits stated in the Schedule for this item.

1.3.15 Trace and Access

In respect of any damage resulting from the escape of substances as insured herein, this insurance extends to include costs and expenses (including consulting engineers' and other fees) reasonably incurred by the Insured in locating the source of the damage and subsequently making good.

1.3.16 Temporary Removal

The insurer shall indemnify the insured in respect of any loss of or damage to property insured (other than stock if insured hereby) temporarily removed for cleaning, renovation, repair or maintenance to any other location.

1.3.17 Minimization Costs

In the event of damage indemnifiable under this Section of the Policy such indemnity shall all costs and expenses reasonably incurred to protect the insured property or to limit or avoid loss that would otherwise have been payable under the terms and conditions of this Policy had such costs and expenses not been incurred.

In the event of any occurrence which would give rise to imminent damage to insured property under this Section of the Policy the indemnity hereunder will include all costs and expenses reasonably incurred to protect the insured property so affected or to limit or avoid loss that would otherwise have been payable under the terms and conditions of this Policy has such costs and expenses not been incurred.

The amount payable shall not exceed the limits stated in the risk details for this item.

1.3.17 Custom Duties

This Policy, subject to its terms and Conditions, extends to cover the Insured's liability for customs, excise and other duties which the Insured may become liable to pay in event of Damage to the Insured Property and/or the Insured's liability to compensate others who may become liable for such customs, excise or other duties.

1.3.18 Payment on Account

The indemnity shall be payable within one month after determination of the amount of indemnity payable. Notwithstanding the above, the Insured may, one month after the Insurer has been duly notified of the loss, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances.

The Insurer shall be entitled to postpone payment: -

(a) If there are doubts as to the Insured's right to receive payment, until the necessary proof is furnished.

(b) If, as a result of any loss or damage or any interference with the insured business, police or criminal investigations have been initiated against the Insured, until the completion of such investigations.

The Insurer shall be the sole judge of the acceptability of the proof required but payments shall not be withheld without due cause. Nothing in this clause will prejudice the Insured's rights of arbitration.

SECTION 2 - BUSINESS INTERRUPTION

2.1 Insuring Clause

This policy will indemnify the Insured for the reduction in Capacity Revenue actually sustained and the Increased Cost of Working, if any under the Take or Pay mechanism - if opted by the Original Insured) if at any time during the period of insurance any property suffers insured damage, covered under Section 1 or an event covered by the extensions below, causing interference with or interruption of the Property Insured.

Increased Cost of Working is defined as the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction of Capacity Revenue which but for that expenditure would have taken place or would have been anticipated during the Indemnity Period in consequence of the damage but not exceeding the amount of the reduction in Capacity Revenue thereby avoided.

2.2 Exclusions

The Insurer shall not be liable for:

2.2.1 loss of capacity revenue and/or increased costs of working due to any interruption caused by or resulting from non-availability of funds.

2.2.2 fines or penalties of whatever nature other than in respect of continuing contractual obligations.

2.2.3 loss of business due to causes such as suspension, lapse or cancellation of a license.

2.3 Memoranda Applicable to Section 2

2.3.1 Period of Indemnity

The Period of Indemnity shall mean the period during which the Business is interrupted or interfered with not exceeding the maximum Indemnity Period.

2.3.1.1 Indemnity Period

As stated in the Schedule.

2.3.2 Deductible

The deductible periods stated in the Schedule shall be applied separately to any one occurrence

The "period" shall commence on the first day that the business is first interrupted or interfered with and shall run continuously thereafter for the number of days specified as the deductible.

2.3.3 Alternative Premises

If during the Indemnity Period accommodation shall be provided or services shall be rendered elsewhere than at the site for the benefit of the Business either by the Insured or by others on their behalf, the money paid or payable for such accommodation or services shall be brought into account in arriving at the estimated revenue during the Indemnity Period

2.3.4 Denial of Access

Loss resulting from interruption or interference in consequence of physical loss or damage as covered herein to property within 5 km of the site whether the property of the Insured has been damaged or not which shall prevent or hinder the use of the premises or access thereto whether the premises or property of the Insured therein shall be damaged or not shall be deemed to be loss as covered by this Section provided that the liability of Insurer shall not exceed the first 30 days of any one occurrence in excess of the Deductible.

2.3.5 Public Utilities

Subject otherwise to the conditions of this Policy the indemnity by this Section includes loss resulting from interruption or interference in consequence of the failure of supplies of telecommunications electricity water or gas (but not the interruption of supply of fuel gas for power generation or interruption arising from damage to the power transmission and distribution network for the supply of power generated at the site of the Property Insured) at the site of the Property Insured in consequence of physical loss or damage as covered herein to property belonging to or used by the public suppliers of telecommunications, electricity, water or gas which is not caused by a deliberate act of the supplier unless such deliberate act is performed for the sole purpose of

safeguarding life, or protecting a part of the supplier's system or not caused by a scheme of rationing unless necessitated solely by physical loss or damage to a part of the supplier's system. The liability under this Memorandum in respect of any one Occurrence shall not exceed the limits stated in the Schedule for this item in excess of seven days.

2.3.6 Suppliers and Customers

The Insurance by this Section extends to include loss resulting from interruption of or interference with the Business in consequence of physical loss or damage as covered herein at the premises of Suppliers and Customers provided that after the application of all other terms conditions and provisions of the Policy the liability under this Memorandum in respect of any one Occurrence shall not exceed the limits stated in the Schedule for this item.

2.3.7 Payment on Account

The indemnity shall be payable within one month after determination of the amount of indemnity payable. Notwithstanding the above, the Insured may, one month after the Insurer has been duly notified of the loss, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances.

The Insurer shall be entitled to postpone payment: -

(a) If there are doubts as to the Insured's right to receive payment, until the necessary proof is furnished.

(b) If, as a result of any loss or damage or any interference with the insured business, police or criminal investigations have been initiated against the Insured, until the completion of such investigations.

The Insurer shall be the sole judge of the acceptability of the proof required but payments shall not be withheld without due cause. Nothing in this clause will prejudice the Insured's rights of arbitration.

2.3.8 Material Damage Waiver

It shall not be a condition precedent to the Insurers liability in respect of interruption or interference with the Business that payment shall have been made or liability admitted under Section I of this Policy if no such payment shall have been made nor liability admitted solely due to the operation of the Deductible under Sections I, or due to a party other than the Insured accepting responsibility for the loss or damage which would otherwise have been so covered.

2.3.9 Rent

Rent relating to any property (for which a commitment to insure arises as a result of the provisions of any lease or other agreement) or any part thereof which is rendered unfit for use in consequence of its loss destruction or damage for the period indicated in such lease or other agreement subject to the limits stated in the Schedule for this item.

2.3.10 Professional Fees

Architects, surveyors, consulting engineers, claim advisors and other professional fees, necessarily and reasonably incurred in the repair, reconstruction or replacement of the Property Insured consequent to accidental physical loss or accidental physical damage indemnified, provided that the amount payable under the terms of this Memorandum shall not exceed the scale of fees in normal use by such professions. The basis of such fees shall be agreed in advance by the Nominated Loss Adjuster. The amount payable per loss shall not exceed the limits stated in the Schedule for this item.

2.3.11 Average Daily Value

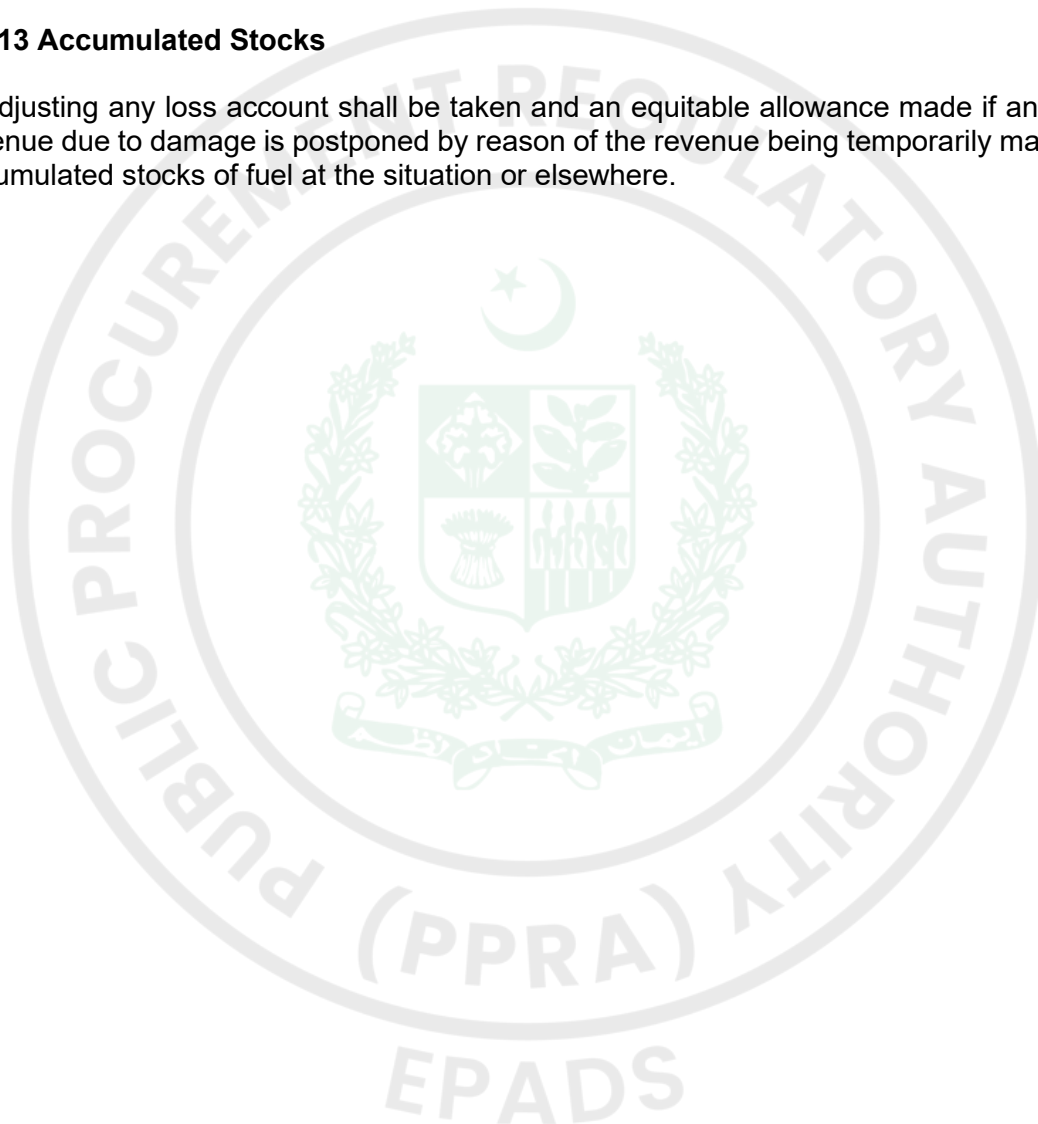
Average Daily Value is defined as the amount of the Deductible expressed in terms of one day and shall be established by determining the total value of the interruption of the business and dividing it by the number of days during which the results of the business are affected in consequence of the Damage

2.3.12 Property away from the Premises and in Transit

The insurance by this Section extends to include loss resulting from interruption of or interference with the Business in consequence of physical loss or damage to the Property Insured at any premises not in the occupation of the Insured and whilst in transit by inland waterway, road or rail. The liability under this Memorandum in respect of any one Occurrence shall not exceed the limits stated in the Schedule for this item.

2.3.13 Accumulated Stocks

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in revenue due to damage is postponed by reason of the revenue being temporarily maintained from accumulated stocks of fuel at the situation or elsewhere.



SECTION 3 - GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

3.1 War and Terrorism

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, confiscation, requisition, sequestration, nationalization; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3.2 Nuclear Risks

This Policy does not cover:

- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;
- (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (i) ionizing radiations or contamination by radioactivity from an nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - (ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

3.3 Electronic Data Endorsement A (NMA 2914 amended)

This Policy does not insure, loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software, and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

However, in the event that a peril listed below results from any of the matters described above, this Policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils:

Fire

Explosion

Machinery Breakdown

Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows: -

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost to repair, replace or restore such media to the condition that existed immediately prior to such loss or damage, including the cost of reproducing any ELECTRONIC DATA contained thereon, providing such media is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts, not to exceed GBP 2,000,000, incurred by the Assured in recreating, gathering and assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

3.4 Political Risks

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

Confiscation, expropriation, nationalization, commandeering, requisition or destruction of or damage to property by order of the Government de jure or de facto or any public municipal or local authority of the country or area in which the property is situated; seizure or destruction under quarantine or customs regulation.

3.5 Transmission and Distribution Equipment

This policy excludes losses in respect of all overhead transmission and distribution lines including wire, cables, poles, pylons, standards, towers, or other supporting structures which may be attendant to the transmission or distribution of electrical power and/or telephone communications.

This exclusion applies to the aforementioned equipment which is located beyond a radius of more than 1,000 feet from an insured structure.

It is understood and agreed that utility service interruption and/or suppliers extension and/or contingent business interruption coverages are not subject to this exclusion, provided that these are not part of a transmitters or distributors policy.

3.6 Mold

This policy does not insure any loss, damage or expense consisting of, caused by, contributed to, or aggravated by mold, moss, mildew, fungi, spores, bacterial infestation or any similar organism, wet or dry rot and extremes of temperature or humidity, whether directly or indirectly the result of a covered peril. This includes, but is not limited to, the cost for investigation, testing, remediation services, extra expense or business interruption. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. If loss otherwise covered by this policy occurs and the cost of removal of debris is increased due to the presence of rust, mold, moss, fungus, bacterial infestation, wet or dry rot and extremes of temperature or humidity, this policy will only be liable for the costs of debris removal which would have been incurred had no such factors been present in, on or about the covered property to be removed.

SECTION 4 - GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

4.1 Terms of this Policy

The expression The Terms of this Policy wherever it may appear shall mean The Schedule, the Sections, Exclusions, Memoranda,

Definitions, General Conditions, General Exclusions, and Endorsements as may attach hereto or be added hereafter.

4.2 Material Change

If any change shall occur, materially varying any of the facts existing at inception of this Policy, the Insured shall as soon as possible give notice in writing to the Insurers and Insured and Insurers shall agree appropriate amendment of premium and/or terms and conditions. All the terms, exceptions and conditions agreed upon will be incorporated in and form part of this Policy.

In the event of a material increases in risk, the continuance of this insurance shall be at terms and conditions as agreed, in writing, between the Insured and the Insurer, but should the parties be unable to agree the new terms and conditions within 30 days of the Insurer initially advising the Insured of their requirements, the matter shall be referred to an expert to be appointed by the parties. Unless the parties otherwise agree, the expert shall be a person with not less than ten years' experience of international insurance business, having been engaged in such business or in advising on such business in a professional capacity. However, if the parties cannot agree, the expert shall be appointed by the Chairman, for the time being, of AIDA Reinsurance and Insurance Arbitration Society of the UK (ARIAS), c/o The International Underwriting Association, 3 Minster Court, London EC3R 7DD.

The expert alone shall determine all questions of procedure and evidence in the hearing of this dispute, and all costs for the holding thereof shall be paid by the parties and in the manner as directed by the expert. The expert shall apply the laws of the country or state of the Applicable Law.

The decision of the expert shall be given in writing, with reasons, and both parties hereby agree to be bound by the decision given in accordance with the above provisions.

4.3 Claims

In the event of any loss occurring, which might give rise to a claim under this Policy, the Insured shall:

- (a) as soon as practical notify the Loss Adjuster by telephone, e-mail or facsimile specified in the Schedule, giving an indication as to the nature and extent of the loss, damage or injury, and confirm such advice in writing as soon as possible;
- (b) supply as soon as possible all such information and documentary evidence in relation to the claim as the Insurer may require;
- (c) preserve damaged Property Insured and make it available for inspection by a representative of the Insurer;
- (d) send to the Insurer, immediately after receipt, any writ, summons or other proceedings which may be commenced against the Insured;
- (e) inform the police authorities promptly in the event of loss or damage by theft, burglary or any malicious persons(s) for the purpose of recovering any property so lost, discovering the guilty person or persons, and having him, her or them duly prosecuted;
- (f) give to the Insurer every assistance to enable the Insurer to settle or resist any claim against the Insured, or institute any proceedings;
- (g) advise the Insurer of any other insurance(s) which may cover the same loss, damage or injury, or any part thereof.

The Insured shall not negotiate, pay, settle, admit or repudiate any claim under the Policy without the written consent of the Insurer, nor shall the Insured be entitled to abandon any property to the Insurer.

If the Insured incurred expenditures on account of rectification of loss or borne consequential losses in a currency other than US Dollars then the USD exchange rate(s) prevailing at the time of occurrence of loss will be used for settlement of such claim(s).

Further, the Insurer and/or Reinsurer is liable to settle the loss claim(s) within one year from the date of submission of claim. In case the claim settled after one year and the delay is attributable to the Insurer and/or Reinsurer then the Insurer and/or Reinsurer shall be obligated to pay markup to the Insured at prevailing 3 months LIBOR on the final claim amount(s).

4.4 Subrogation

The Insured shall, at the expense of the Insurer, do and concur in doing and permit to be done, all such acts and things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated, upon their paying for or making good any loss, damage or injury under this Policy, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Insurer.

4.5 Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to an arbitrator appointed by the parties in accordance with the statutory provisions in force in the country or state of the Applicable Law.

In the absence of any such statutory provisions, and unless the parties agree upon a single arbitrator within thirty days of one receiving a written request from the other for arbitration, the claimant shall appoint his arbitrator and give written notice thereof to the respondent. Within thirty days of receiving such notice, the respondent shall appoint his arbitrator and give written notice thereof to the claimant, failing which the claimant may apply to the appointor, hereinafter named, to nominate an arbitrator on behalf of the respondent.

Before entering upon the reference, the two arbitrators shall appoint a third arbitrator, but should they fail to do so within thirty days of the appointment of the respondent's arbitrator, then either of them, or either of the parties, may apply to the appointor for the appointment of the third arbitrator. The appointor shall be the Chairman, for the time being, of AIDA Reinsurance and Insurance Arbitration Society of the UK (ARIAS), c/o The International Underwriting Association, 3 Minster Court, London EC3R 7DD. The three arbitrators shall decide by a majority, but if no majority can be reached, the verdict of the third arbitrator shall prevail. The third arbitrator shall also act as the Chairman.

Unless the parties agree otherwise, the arbitration tribunal shall consist of persons with not less than ten years' experience in international insurance business, having been engaged in such business or in advising on such business in a professional capacity.

The arbitrator(s) shall have power to set all procedural rules for the holding of the arbitration, and all costs of the arbitration shall be paid by the parties and in the manner as directed by the arbitrator(s). The award of the arbitrator(s) shall be given in writing, with reasons, and both parties hereby agree to be bound by the award given in accordance with the above provisions.

The seat of the arbitration shall be in the capital city of the country or state of the law applicable to the Policy, and the arbitrator(s) shall apply the law of that country or state as the law of this Policy.

This condition remains valid, should the Policy become void.

4.6 Inadvertent Errors and Omissions

The Insured's right of recovery shall not be prejudiced by any unintentional or inadvertent error or omission in name or description, or amount or reporting or notification, provided the Insured corrects such error or omission and notifies the Insurer as soon as reasonably practicable after discovery by the Insured.

It is further agreed that any wrongful act, error or omission by an Insured shall not operate to the prejudice of any Insured who is not privy to such wrongful act, error or omission.

4.7 Multiple Insureds Clause

(a) It is understood and agreed that as the Insured described in the Schedule comprises more than one insured party each operating as a separate and distinct entity then cover hereunder shall apply in the same manner and to the same extent as if individual policies had been insured party provided that the total liability of the insurers to all of the Insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in the policy.

(b) It is understood and agreed that any payment or payments by insurers to any one or more such insured parties shall reduce to the extent of that payment Insurers liability to all such parties arising from any one event giving rise to a claim under this policy and (if applicable) in the aggregate.

(c) It is further understood that the insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.

(d) It is further understood and agreed that insurers shall be entitled to avoid liability to or (as may be appropriate) claim damages from any of the insured parties in circumstances of fraud, material misrepresentation, material non-disclosure or breach of any warranty or condition of this policy each referred to in this clause as a Vitiating Act.

(e) It is however agreed that a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.

(f) Insurers hereby agree to waive all rights of subrogation which they may have to acquire against any Insured party except where the rights of subrogation or recourse are acquired in consequence of or otherwise following a Vitiating Act in which circumstances Insurers may enforce such rights notwithstanding the continuing or former status of the vitiating party as an Insured.

4.8 Claims Preparation Costs

Such reasonable professional fees payable by the Insured to their financial advisers (including fees of accountants, loss adjusters, claim advisors and/or valuers appointed by the Insured) and such other reasonable expenses necessarily incurred by the Insured and not otherwise recoverable, for preparation of claims and (notwithstanding Condition 4.3) proving the loss under the policy.

The amount payable per loss shall not exceed the limits stated in the Schedule for this item.

4.9 Applicable Law

The construction validity and performance of this insurance shall be in all respects governed by and interpreted in accordance with the laws of the jurisdiction specified in the Schedule, and any disputes (other than those set down in General Condition 4.5) will be submitted to the Courts of the said jurisdiction.

4.10 Permission to Examine

The Insurer shall be permitted but not obligated to inspect the Insured's property and operations. The Insurer shall also be permitted to investigate any accident notified to the Insurer or claim made against the Insured.

During the currency of the Period of Insurance the Insurer shall have the right of inspecting the Insured's records pertaining to all costs, repairs, recoveries and expenditures relating to the property insured hereunder, such records to be open to representatives of the Insurer.

4.11 Other Insurance

In the event of any other valid and collectible insurance protecting the interests of the Insured, as respects this Project, exists at the time of loss this Policy shall be considered primary and specific insurance, and such other valid and collectible insurance which may exist, save for any marine or aviation policies, shall not contribute to the payment of any loss until the amount of this Policy shall have been exhausted as respects the interests of the Insured.

4.12 Definitions

The following Definitions are to be used for the purposes of identifying the applicable Indemnity Period and Deductibles:

(a) Gas Turbine Generator Set:

The gas-turbine-generator unit comprises gas-turbine, generator, shaft coupling and gear box (dependent on design). The main components are described as follows:

Gas-turbine:

This item would be defined as the gas-turbine itself plus any additional equipment which is mounted on the gas-turbine plinth. The delivery boundaries of the supply lines are as follows:

For intake air and exhaust gas:

The compressor inlet flange and gas-turbine exhaust flange are part of this item (for welded connections the welding seams are considered to be the boundaries).

For fuel (natural gas and oil):

The inlet flanges of the control valve are part of this item.

For all other non-electrical gas-turbine related systems (e.g. lubrication system, cooling air supply, governor oil supply, water injection system) the boundaries are the flanges on the gas-turbine.

For the electrical power and control cabling:

Nearest detachable connections (e.g. terminal box) to the turbine. Generator:

This item would be defined as the generator itself plus rotating exciters and rotating auxiliary exciters (static excitation systems are not compromised). The delivery boundaries are as follows:

End-lead bushings for power connections;

Nearest detachable connection (e.g. terminal box) to the generator for other electrical connections;

Flanges on the generator for all other generator related systems (e.g. lubrication system, cooling gas supply). Note: Only coolers installed inside the generator housing are part of this item.

(b) Steam Turbine Generator Set

From and inclusive of the turbine Stop/Control valve(s) to the flange connection between the LP outlet and Condenser including high, intermediate and low pressure stages.

(c) Heat Recovery Steam Generator

From the Gas Turbine Exhaust gas housing flange to the exit from the boiler stack (including any by-pass ducts and stacks) and inclusive of and from any and all feed water regulators to the super heater outlet valves.

(d) Main Transformers

Main turbine generator step-up transformers and associated auxiliaries.

(e) Machinery Breakdown

Machinery Breakdown shall mean sudden and accidental mechanical or electrical breakdown, breakage, failure or derangement resulting in destruction of or damage to any plant, equipment or machinery insured by this Policy including destruction or damage caused by explosion due to force of internal steam or fluid pressure, which manifests itself at the time of the occurrence by physical damage to the plant, equipment or machinery that necessitates repair or replacement of the plant, equipment or machinery or part thereof.

4.13 Waiver of Subrogation

Insurers agree to waive rights of subrogation against all insured parties including their affiliates, agents, servants, officers and employees, including where required by written contract, save in respect of any vitiating or invalidating act of such insured party.

4.14 Severability of Interests

The term 'Insured' is used severally and not collectively, and the insurance afforded by this policy is applied separately to each insured against whom a claim is made or suit is brought; but the inclusion herein of more than one insured shall not operate to increase the limits of the insurers liability.

4.15. Other Interests

The interest of any party to whom legal rights may have been assigned or parties supplying property to the insured under a hiring, leasing or similar agreement is noted but only to the extent that the Insured is required to include such interest.

4.16. Damage

Damage shall mean physical loss or destruction of or damage to the Insured Property

4.17. Policy

The term "Policy" shall include this Policy, Schedule, Terms and Conditions along with any Endorsements hereto which will form and shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part in this Policy shall bear that meaning wherever it shall appear.

4.18 Nominated Loss Adjuster

Claims made against this Policy shall be adjusted by:

- 1- Charles Taylor Associates through their local representatives Hamid Mukhtar and Company.
- 2- Crawford through their local representative Triangle Venture
- 3- John Kidd Loss Adjusters LLC Dubai through their Pakistan representative office.

4.19 Asbestos

This Policy

- (a) only insures asbestos physically incorporated in the Property Insured and then only that part of the asbestos which has been physically lost damaged or destroyed during the policy period by one of these Listed Perils:

Fire, explosion, lightning, windstorm; hail; direct impact of vehicle, aircraft or vessel; riot or civil commotion; vandalism or malicious mischief; or accidental discharge of fire protective equipment Coverage is subject to all limitations in the Policy to which this clause is incorporated and, in addition, to each of the following specific limitations:

1. The Property Insured must be insured under this policy for loss destruction or damage by that Listed Peril.
2. The Listed Peril must be the immediate, sole cause of the loss destruction or damage to the asbestos.
3. The Insured must report to Insurers the existence and cost of the damage as soon as practicable after the Listed Peril first damaged the asbestos. However, this Policy

does not insure any such damage first reported to Insurers more than 12 (twelve) months after the expiration, or termination, of the policy period.

4. Insurance under this policy in respect of asbestos shall not include any sum relating to:

- (i) any faults in the design, manufacture or installation of the asbestos.
- (ii) asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.

(b) does not insure asbestos or any sum relating thereto except as set forth in (a) above.

4.20 Strikes, Riots, Civil Commotions or Malicious Damage

This policy extends to cover loss destruction or damage to the Property Insured caused by or due to strikes, riots, civil commotions or malicious damage.

4.21 Minimization Costs

In the event of damage indemnifiable under this Section of the Policy such indemnity shall all costs and expenses reasonably incurred to protect the insured property or to limit or avoid loss that would otherwise have been payable under the terms and conditions of this Policy had such costs and expenses not been incurred.

In the event of any occurrence which would give rise to imminent damage to insured property under this Section of the Policy the indemnity hereunder will include all costs and expenses reasonably incurred to protect the insured property so affected or to limit or avoid loss that would otherwise have been payable under the terms and conditions of this Policy has such costs and expenses not been incurred.

The amount payable shall not exceed the limits stated in the risk details for this item.

4.22 Forensic Accountant

Financial investigations in respect of claims made against this Policy shall be undertaken by: TBA

4.23 Non-Disclosure/Misrepresentation

1. In the event that the Insured or its agent to insure fails to disclose or misrepresents a material fact prior to inception of this insurance and the Insurer would be entitled to avoid this insurance, this clause shall apply except where any non-disclosure or misrepresentation by the Insured or its agent to insure is proven by the Insurer to be:

(1) fraudulent; or

(2) of such other nature that, if the material fact had been disclosed or had not been misrepresented, the insurer would not have underwritten this insurance.

2. The burden shall be on the Insurer to prove all matters set out in this clause. For the purposes of this clause the acts, omissions or knowledge of one Insured shall not be imputed to any other Insured.

3. If the Insurer would have underwritten this insurance on different terms (as to premium and/or otherwise) had the material fact been disclosed or not misrepresented, the Insurer shall not be entitled to avoid this insurance but:

(1) in the event the Insurer would have underwritten this insurance on different terms as to the premium, the Insured shall be liable for such additional premium as would have been charged had the material fact been disclosed or not been misrepresented;

(2) in the event that the Insurer would have underwritten this insurance on different terms in any respect other than in relation to the premium, the Insurer shall, in addition to any premium adjustment pursuant to sub-clause 3.(1), be entitled to impose such terms on this insurance as would have been imposed at inception of this insurance if the material fact had been disclosed or had not been misrepresented by giving written notice of the term to the Insured. Subject to sub clauses 3.(3) and 3.(4), any additional term so notified shall take effect as if imposed from inception;

(3) any additional term imposed pursuant to sub-clause 3.(2) shall not apply to any claim which has been finally agreed by the Insurer (whether paid or not) prior to the date of the Insurer's written notification to the Insured of the additional term;

(4) for any additional term imposed pursuant to sub-clause 3.(2) which would have the effect, if breached, of coverage under this insurance never attaching, being suspended or being discharged (whether at the election of the Insurer or otherwise), the Insurer agrees in each such case to vary the remedy for breach of the term so that the Insurer shall be entitled only to decline any claim that does not fall within 3.(3). In the event that the Insured does not comply with any additional term imposed and falling within this sub- clause within 30 days of receipt of the Insurer's written notification imposing the additional term, the Insurer shall be entitled after the expiry of the specified time period to impose with prospective effect only the remedy to which it would have been entitled but this clause.

4. The Insurer agrees that no representation by the Insured or by any agent of the Insured (including an agent to insure) shall be a term of any sort of this contract of insurance and that any provision in any other document to the effect that a statement or statements made by or on behalf of the insured in such document form part of or are the basis of the contract of insurance shall be of no effect.

Broker's Letter Head

Subject: NPPMCL - Haveli Bahadur Shah Power Plant
PD/MBD/BI Reinsurance
Renewal Period From: 01-07-2026 to 30-06-2027
Method of tender: Single stage - Two Envelope Basis
Financial Compliance Matrix Sheet

Particulars	<u>Amount in USD</u>
Gross Premium (100%) including all layers (if any)	
Less: Client Discount (if any non-conditional discount)	
Premium after Discount	
Add: Broker Fee (if applicable)	
Premium 100% (payable by client)	
Less: Reinsurance Commission	10%
Net to Broker 100%:	

Name of Broker: _____

Signature: _____

Stamped: _____

Dated: _____