GOVERNMENT OF SINDH

PUBLIC PRIVATE PARTNERSHIPS UNIT – FINANCE DEPARTMENT

DRAFT CONCESSION AGREEMENT

BETWEEN

SCHOOL EDUCATION AND LITERACY DEPARTMENT

GOVERNMENT OF SINDH

AND

[●]

DATED: [●]

[●]

Semis Code: [●]

TABLE OF CONTENTS

1 DEFINITIONS AND INTERPRETATION 1
2 CONDITIONS PRECEDENT 11
3 GRANT OF CONCESSION AND CONCESSION PERIOD 13
4 GENERAL COVENANTS 15
5 PERFORMANCE SECURITY 17
6 [NOT USED] 18
7 SERVICES PERIOD 19
8 ANNUITY AMOUNT PAYMENTS AND INVOICING 26
9 [BUDGET REALIGNMENT] 29
10 EMERGENCY STEP-IN 30
11 OPERATOR SHAREHOLDING 31
12 CHANGE IN LAW 33
13 INDEMNITY AND INSURANCE 35
14 FORCE MAJEURE 36
15 EVENTS OF DEFAULT 40
16 REMEDY OF DEFAULTS AND TERMINATION PROCEDURE 42
17 COMPENSATION ON TERMINATION 45
18 DISPUTE RESOLUTION 46
19 REPRESENTATIONS AND WARRANTIES 48
20 MISCELLANEOUS PROVISIONS 49
ANNEX – I TECHNICAL INFORMATION 54
ANNEX – II KEY PERFORMANCE INDICATORS 55
ANNEX – III OPERATOR'S SCOPE OF WORK 62
ANNEX – IV NOT USED 64
ANNEX – V REPORTING FORMS 65
ANNEX – VI TERMS OF REFERENCE FOR THE INDEPENDENT EXPERT AND INDEPENDENT AUDITOR 66
ANNEX – VII FORM OF PERFORMANCE SECURITY 68
ANNEX – VIII APPLICABLE PERMITS 71
ANNEX – IX HANDING OVER CRITERIA 72
ANNEX – X TAKING OVER CRITERIA 73
ANNEX – XI EMPLOYMENT CRITERIA 74
ANNEX – XII ANNUITY AMOUNT PAYMENT ADJUSTMENT FORMULA 75
ANNEX – XIII ANNUITY AMOUNT PAYMENT SCHEDULE 77
ANNEX – XIV FINANCIAL MODEL 78
ANNEX – XV DETAILS OF FACILITY 79
ANNEX –XVI TECHNICAL PROPOSAL OF THE OPERATOR 81

CONCESSION AGREEMENT

This **CONCESSION AGREEMENT** is made on [●] at Karachi, Pakistan:

BY & BETWEEN

The Governor Of Sindh Through The School Education And Literacy Department, Government Of Sindh, Acting Through Secretary Education, Government Of Sindh, (hereinafter referred to as the "Authority", which expression shall, where the context so permits, include its successors and permitted assigns),

AND

[●], registered under the [●], having its registered office at [●] Karachi, Pakistan (hereinafter referred to as the "**Operator**", which expression shall include its successors-in-interest and permitted assigns),

(the Authority and the Operator shall collectively be referred to as the "**Parties**" and individually as a "**Party**").

RECITALS

A. The GoS, acting through the Authority, is seeking to improve the quality of education in the province of Sindh by collaborating with the private sector and outsourcing the operation and management of certain public sector schools in the province of Sindh to the private sector under and pursuant to a management and services contract. The Authority has decided to implement the Project by engaging an Operator for inter alia managing and operating the Facility in accordance with the bidding documents and governed by the KPIs and Good Industry Practice, such that the Facility is equipped with appropriate facilities, infrastructure and other services that are generally **require**d for their smooth operation.

B. The Authority invited competitive bids for the Project by issuing an Invitation for Bids dated [●] via National Competitive Bidding (NCB) process as per Rule 15. 2(b) of the SPP Rules of 2010 (the "**Invitation for Bids**"), to prospective bidders for, *inter alia*, inviting submission of bids for the management, operations and maintenance of the Facility (the "**Project**") for the period of [●] years.

C. After the technical evaluation of the bids and the subsequent financial evaluation by the Technical and Financial Evaluation Committee (**TFEC**) constituted for the Project, the Operator was found to be the Successful / Preferred Bidder for award of the management, operations and maintenance of the Facility. In light of that, a letter of award (LOA) has been issued to the Operator;

D. The Authority has expressed its desire to enter into this Agreement with the Preferred Bidder for the execution of the Project, subject to and on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth in this Agreement, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 DEFINITION

1.1.1 **In this** Agreement, the following words and expression shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

"**Academic Year**" means the commencement period and ending period of the Aga Khan University – Education Board or as notified by the Authority.

"**Affected Party**" has the meaning given in Article 14.1.1.

"**Affiliate**" means, in relation to any Person, any other Person which, directly or indirectly, controls or is controlled by or is under common control with such Person. For purposes of this definition, "control" (including "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"**Agreement**" or **"Concession Agreement"** means this agreement executed between the Government of Sindh and the Operator together with the Annexes hereto.

"**Agreement Year**" shall mean a period of twelve (12) consecutive months commencing on each consecutive anniversary of the Effective Date and ending as of the end of the day preceding the next anniversary of the Effective Date, except for the first Agreement Year which shall start on the Effective Date.

"**Annuity Amount Payments**" means the quarterly payments as per the costs of activities and/ or items for the achievements of the KPIs that the Authority shall make to the Operator on a quarterly basis in accordance with Article 8 of this Agreement.

"Annuity Amount Payment Date" means each such date on which the Annuity Amount Payments shall become due and payable by the Authority to the Operator, being the dates set out in the Annuity Amount Payment Schedule

"**Annuity Amount Payment Account Funding Date**" means:

(a) in respect of the first (1st) Annuity Amount Payment Date, any date falling prior to the Effective Date;

(b) in respect of each other Annuity Amount Payment Date, the date falling ten (10) days following issuance of an Annuity Amount Payment Certificate relating to the Annuity Amount Payment Date falling immediately prior to such Annuity Amount Payment Date.

"**Annuity Amount Payment Adjustment**" means, in relation to an Annuity Amount Payment Date, the adjustment (being an amount in Pakistani Rupees) to be made to the Annuity Amount Payment relating to such Annuity Amount Payment Date (excluding the first two Annuity Amount Payment Dates), as calculated through application of the Annuity Amount Payment Adjustment Formula in accordance with **ANNEX XII** and as set out in the Annuity Amount Payment Certificate.

"**Annuity Amount Payment Adjustment Events**" shall bear the meaning ascribed thereto in Article 8.2.2.

"**Annuity Amount Payment Certificate**" shall have the meaning ascribed thereto in Article 8.3.1.

"**Annuity Amount Payment Evaluation Date**" means:

(a) in respect of the first (1st) Annuity Amount Payment Date, the Annuity Amount Payment Date;

(b) in respect of each other Annuity Amount Payment Date, the date falling thirty (30) days immediately prior to such Annuity Amount Payment Date.

"**Annuity Amount Payment Evaluation Period**" means:

(a) in respect of the first Annuity Amount Payment Date, a period equal to zero (0) days;

(b) in respect of each other Annuity Amount Payment Date, the period between the two (2) Annuity Amount Payment Evaluation Dates falling immediately prior to such Annuity Amount Payment Date.

"**Annuity Amount Payment Invoice**" shall have the meaning ascribed thereto in Article 8.4.2(a).

"**Annuity Amount Payment Adjustment Formula**" means the formula for adjusting each Annuity Amount Payment relating to an Annuity Amount Payment Date due to occurrence of Annuity Amount Payment Adjustment Events during the Annuity Amount Payment Evaluation Period relating to such Annuity Amount Payment Date, as set out in **ANNEX XIII**.

"**Annuity Amount Payment Schedule**" means the schedule, setting out the Annuity Amount Payment Dates, as per the yearly amount payments as set out in **ANNEX XIII,** and as per the costs stipulated in the Financial Model, **ANNEX XIV.**

"**Annuity Payment Account Funding Amount**" means, in respect of an Annuity Amount Payment Account Funding Date relating to an Annuity Amount Payment Date, an amount equal to that set out in the Annuity Amount Payment Certificate.

"**Applicable Laws**" means any laws, promulgated or brought into force and effect by the GoP, the GoS or any local government having jurisdiction over the Project, as well as rules, regulations, orders and notifications made pursuant to such laws, as well as, inter alia, judgments, decrees, injunctions, writs and orders of any Pakistan court, as may be applicable.

"**Applicable Permits**" means any permissions, clearances, concessions, authorizations, consents, licenses, permits, waiver, privileges, rulings, exemptions, no objections, resolutions, filings, orders, notarizations, lodgments or registrations or approvals of whatsoever nature that are required to be obtained from time to time in connection with the Project and for undertaking, performing or discharging the obligations contemplated by this Agreement in accordance with the Applicable Laws, including those set-out in **ANNEX-VIII**.

"**Arbitration**" has the meaning given in Article 18.2.1.

"**Arbitration Act**" means the Pakistan Arbitration Act, 1940.

"**Arbitrator**" has the meaning given in Article 18.2.1.

"**Authority**" means the Government of Sindh of the Islamic Republic of Pakistan, represented by the Provincial School Education and Literacy Department, and its legal successors and assigns.

"**Authority Annuity Amount Payment Account**" means the account to be established by the Authority and notified to the Operator and the Independent Auditor as an Authority Condition Precedent;

"**Authority Event(s) of Default**" means any or all of the events that are listed at Article 15.2.

"**Award**" has the meaning given in Article 18.2.4.

"**Bid**" has the meaning given in Recital D.

"**Bid Due Date**" means [●] being the date on which the bidders were required to submit their bids for the Project in accordance with the Invitation for Bids.

"**Bid Security**" means the bid security submitted by the Operator pursuant to the Invitation for Bid in connection with its Bid for the Project;

"Budget Revision" has the meaning given in Article 9.1.1

"Budget Re-appropriation" has the meaning given in Article 9.1.5

"**Training Need Assessment**" or **"TNA"** means the teacher capacity / training need assessment to be conducted by the Operator to ascertain the capacity and training needs of the Authority's Employees being managed by the Operator, which shall be conducted in accordance with **ANNEX-IV**.

"**Change in Ownership And / Or Control**" means and includes any assignment, sale, financing, grant of security interest, transfer of interest or other transaction of any type of description, including by or through voting securities, asset transfer, contract, merger, acquisition, succession, dissolution, liquidation or otherwise, that results directly or indirectly in a change in possession of the power to direct or control, or cause the direction or control of the management of the Operator or a significant aspect of its business.

"**Change in Law**" means the occurrence of any of the following events on or before the Bid Due Date:

(a) the modification, amendment, variation, alteration or repeal of any existing Applicable Law; or

(b) the coming into effect of any new Applicable Law;

(c) changes in the interpretation, application or enforcement of any Applicable Law or judgment by any court / Government Authority;

(d) the introduction of the requirement for the Operator to obtain any new Applicable Permits; or

(e) the introduction of any Taxes,

Provided that Change in Law shall not include:

(a) any statute that has been published in draft bill form or as a bill that has been placed before the legislature or that has been passed by the relevant legislature as a bill but has not come into effect prior to the date of this Agreement, which is not in the public domain;

(b) a draft regulation or statutory instrument or delegated legislation that has been published prior to the date of this Agreement and which is in the public domain; or

(c) any modification, amendment, variation, alteration or repeal of any existing Applicable Law related to the Taxes.

"**Community Engagement Activities"** means activities to communicate the benefits of education and other services being provided by the Operator and the Authority to the community at large and the process of building ongoing and permanent relationships for the purpose of achieving a collaborative and collective vision for the Authority's strategy to improve the standard of education in the province of Sindh. Such activities shall include limited local media campaigns and community drop in sessions.

"**Commencement Certificate"** shall have the meaning ascribed thereto in Section-2

"**Concession**" means all of the rights granted by the Authority to the Operator in terms of this Agreement for implementing the Project and providing the Services to the Authority.

"**Concession Period**" means the period of the Concession specified in Article 3.2.1.

"**Conditions Precedent**" means the obligations of the Authority and the Operator that are set out at Article 2.

"**Consortium**" has the meaning given in Recital D.

"**Consortium Member**" has the meaning given in Recital D.

"**Control**" with respect to a Person, means the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such Person; or the power to direct the management and policies of such Person by operation of law, contract or otherwise.

"**Corrupt Practice**" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

"**Collusive Practice**" means collusion between two or more parties for the purpose of bid rigging or simulating competition, in connection with the Bid and/or the award of this Concession to the Operator.

"**Day**" means a 24 (Twenty Four) hour period beginning and ending at 12:00 midnight Pakistan Standard Time.

"**Dispute**" has the meaning given in Article 18.1.

"**Effective Date**" means the date notified by the Authority to the Operator as being the date on which the Conditions Precedent are fulfilled, deferred or waived and Commencement Certificate has been issued by the Independent Expert.

"**Emergency**" means a condition or situation that requires intervention by the Authority to prevent harm, damage, danger or public unrest, or to maintain safe, adequate and continuous services, at the Facility.

"**Employment Criteria**" means the criteria to evaluate performance of the Authority's Employees, as set forth in **ANNEX XI** hereto.

"**EMOs District Support Committee**" means a committee comprised of the deputy commissioner of the local area, another representative of the Authority and two senior representatives of the Operator or as otherwise agreed between the Parties.

"**EoD Remedy Period**" has the meaning given in Article 16.2.1.

"**Event of Default**" means an Operator Event of Default or an Authority Event of Default or both as the context may admit or require.

"**Equity**" means funds advanced by the Shareholders, either in the form of share capital in the Operator or by loans from the Shareholders or their related parties to the Operator or in any other manner or from any other source for the purposes of undertaking the Project.

"**Expert**" means anybody or organization of repute with recognized technical/ professional expertise in respect of any field, matter or subject relevant for the purpose of this Agreement.

"**Expiry Date**" means the last day of the Services Period.

"**Facility**" shall have the meaning ascribed thereto I in **ANNEX XV**.

"**Financial Bid**" means the financial bid submitted by the Operator at the time of the bidding process. And any subsequent revisions as permitted under the law, if any.

"Financial Model" means the cost of the activities and/or items on yearly basis for a period of ten years based on strategies and strengths as listed in the Technical Proposal of the Operator and for the fulfilment of the methodologies set to achieve the KPI`s as listed in this Concession Agreement, as set out in detail in **ANNEX XIV**

"**Financial Year**" means the financial year of the Authority.

"**Force Majeure Event**" has the meaning given in Article 14.1.1.

"**Force Majeure Notice**" has the meaning given in Article 14.1.1.

"**Force Majeure Period**" means the period commencing from, subject to Article 14.2, the date of occurrence of a Force Majeure Event and ending on the earlier of: (a) the date on which the Affected Party resumes or should have resumed such of its obligations the performance of which it was excused in terms of Article 14; or (b) the Termination Date of the Agreement; as applicable.

"**Fraudulent Practice**" means any action or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

"**Fundamental Change in Law**" means any Change in Law that is not a Qualifying Change of Law and that:

(a) renders unenforceable, illegal, invalid or void any material right or material obligation of the Operator under this Agreement; or

(b) results in the Operator being deprived of the whole or a substantial part of the benefit of this Agreement; or

(c) has a Material Adverse Effect on the Operator.

"**Good Industry Practice**" means the exercise of that degree of skill, diligence and prudence, and those practices, methods, specifications and standards of teaching, management, safety and performance, as may change from time to time and which would reasonably and ordinarily be expected to be used by a skilled and experienced manager or operator engaged in the operation and management of schools and Facility of the type and size similar to the Project.

"**GoP**" means the Government of Pakistan.

"**GoS**" means the Government of Sindh, Pakistan.

"**Government Authority**" means the GoP, the GoS, any local government or any other ministry, governmental department, commission, board, body, bureau, agency, authority, instrumentality, inspectorate, statutory corporation or body corporate over which the GoP or the GoS exercises control, court or other judicial or administrative body or official or Person, having jurisdiction over the Operator, the Facility, the Project or any portion thereof and the performance of obligations and exercise of rights of the Parties in accordance with the terms of the Agreement.

"**Handing over Criteria**" means the criteria for hand-over of the Facility by the Authority to the Operator in accordance with this Agreement, as set out in **ANNEX IX**.

"**Independent Auditor**" shall be an independent third party Expert jointly appointed by the Parties in accordance with Article 7.1.1 read with **ANNEX-VI**, who shall have the duties and functions stated in this Agreement.

"**Independent Expert**" shall be an independent third party Expert jointly appointed by the Parties in accordance with Article 7.1.2 read with **ANNEX-VI**, who shall have the duties and functions stated in this Agreement.

"**Invitation for Bids**" has the meaning given in Recital C

"**KPIs**" means the Key Performance Indicators regarding the Operator's performance of Services under this Agreement, as set out in **ANNEX II**.

"**Lapse of Consent**" means any Applicable Permit:

(a) ceasing to remain in full force and effect and not being renewed or replaced within the time period prescribed by the Applicable Laws for the renewal or replacement of such Applicable Permit or, where a time period is not prescribed by the Applicable Laws, within 60 (Sixty) Days of such Applicable Permit ceasing to be in full force and effect; or

(b) not being issued upon application having been properly and timely made and diligently pursued within the time period prescribed by the Applicable Laws or where a time period is not prescribed by the Applicable Laws, within 60 (Sixty) Days of proper application being made for such Applicable Permit; or

(c) being made subject, upon renewal, or otherwise, to any terms or conditions that materially and adversely affect the Operator's ability to perform its obligations under this Agreement,

"**Long-stop Date**" means the date of expiration of 90 (Ninety) Days from the date of execution of this Agreement, or extended up to a maximum of 180 (One Hundred and Eighty) Days, as mutually agreed by between the Parties.

"**Management Fee**" Management fee is the cost charged by the operator for providing its services to the authority for managing the project. The Management Fee shall also include the remuneration of staff of the operator engaged for management of the project, other than the school-based staff engaged by the operator.

"**Material Adverse Effect**" means the effect of any act or event which materially and adversely affects the ability of either Party to exercise its material rights or perform any of its material obligations under and in accordance with the provisions of this Agreement.

"**Month**" means the calendar month as per the Gregorian calendar.

"Near-by Schools" means a school or schools that are part of the Group-of-Schools other than the SBEP Construction School, however which are located in close proximity of the relevant Construction School in a particular geography.

"**Non-Performing Employees**" has the meaning given to it in Article 7.8.3.1.

"**Non-Political Event**" has the meaning given in Article 14.1.1(b).

"**Notice of Intent to Terminate**" has the meaning given in Article 16.1.2.

"Notice of Annuity Amount Payment Adjustment" shall have the meaning ascribed thereto in Article 8.2.3

"**Operator**" means [●], as set out in the Preamble to this Agreement.

"**Operator Annuity Amount Payment Account**" means the account to be established by the Operator and notified to the Authority as an Operator Condition Precedent;

"**Operator's Employees**" has the meaning given to it in Article 7.8.2.1.

"**Operator Event of Default**" means any or all of the events that are listed at Article 15.1.

"**Operator's Notice**" has the meaning given to it in Article 7.8.3.1.

"**O&M**" means the operation and maintenance of the Facility during the Services Period and includes, all matters connected with or incidental to operations and maintenance of the Facility and provision of Services to the Authority, in accordance with the terms of the Agreement.

"**PACRA**" means the Pakistan Credit Rating Agency Limited.

"**Party**" means the Authority or the Operator, as applicable, and "Parties" means the Authority and the Operator collectively.

"**Partnership Committee**" has the meaning given to it in Article 18.1.1.

"**Payable Annuity Amount Payment**" means, in respect of an Annuity Amount Payment Date, an amount equal to the difference between:

(a) the Annuity Amount Payment relating to such Annuity Amount Payment Date (as set out in the Annuity Amount Payment Schedule); and

(b) the Annuity Amount Payment Adjustment relating to such Annuity Amount Payment Date;

(c) as set out in the Annuity Amount Payment Certificate. For sake of clarity there shall be no Annuity Amount Payment Adjustment in respect of the first two Payable Annuity Amount Payments, but assessment of the progress of the Operator is to be carried out as per the terms of the Concession Agreement;

"**Payment Error**" has the meaning given in Article 7.6.10.

"**Performance Security**" has the meaning given in Article 5.1.

"**Performance Security Expiry Date**" has the meaning given in Article 5.2.

"**Permitted Events**" means:

(a) Force Majeure Events;

(b) Authority Events of Default; and

(c) a Change in Law or Lapse of Consent,

in each case any of the aforesaid events causing a delay in the performance of the Operator's obligations under this Agreement

"**Person**" means any individual, company, corporation, partnership, joint venture, trust, unincorporated organization or any other legal entity.

"**PKR**" or "Pakistani Rupees" means the lawful currency of Pakistan.

"**Political Force Majeure Event**" has the meaning given in Article 14.1.2(b)

"**Project**" has the meaning given in Recital A.

"**Project Cost**" means an amount equal to **[●]**

"**Qualifying Change in Law**" means any Change in Law:

(a) which applies specifically to:

(i) the Project and not to other similar projects within the Province of Sindh;

(ii) the Operator, but not to other Persons; or

(iii) the provision of services that are the same as or substantially similar to the Services provided by the Operator under this Agreement, but not to other services; and

(b) which was not reasonably foreseeable by the Operator as at the Bid Due Date.

"**Remedial Action Notice**" has the meaning given in Article 16.1.1.

"**Remedial Period**" has the meaning given in Article 16.1.1.

"**Sanctionable Practice**" means any Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice.

"**Services**" means the services that are provided by the Operator to the Authority in accordance with the terms of this Agreement, in particular the scope of work of the Operator set out in **ANNEX III**.

"**Services Period**" means the period commencing on the Effective Date and ending on the earlier to occur of: (a) the date of expiration of the Concession Period; and (b) the Termination Date.

"**Shareholders**" means any one or more (as the context may require) of the Persons holding any shares in the issued and paid-up equity share capital of the Operator or, in case the Operator is an unincorporated body, the members, trustees or their equivalent of the Operator.

"**Successful School**" means a school delivering quality education aligned with the National Education Goals set by the Authority; retaining enrollment level of minimum 90% and graduating at least 60% students with optimal proficiency supplemented by co-curricular activities; while applying financial efficiency in utilizing the resources generally allocated for public schools, for larger scalability of the reform.

"**Taking Over Criteria**" means the criteria for take-over of the Facility by the Authority in accordance with this Agreement, as set out in **ANNEX-X**.

"**Taxes**" means all taxes, levies, imposts, cesses, duties and other forms of taxation, including (but without limitation) income tax, sales tax, value added tax, service tax, octroi, entry tax, corporation profits tax, advance corporation tax, capital gains tax, residential and property tax, customs and other import and export duties, excise duties, stamp duty or capital duty, and any interest, surcharge, penalty or fine in connection therewith which may be payable by the Operator.

"Technical Proposal" means a proposal submitted by the Operator in respect of the Invitation for Bids dated [●] as set out in **ANNEX XVI**

"**Termination**" means the termination of this Agreement and the Concession hereunder upon the issuance of a Termination Notice in accordance with the terms hereof;

"**Termination Compensation**" means the compensation payable to the Operator on the Termination Date, in accordance with this Agreement.

"**Termination Date**" means the date on which this Agreement and the Concession hereunder are terminated by a Termination Notice.

"**Termination Notice**" means a notice issued by a Party to the other Party terminating the Agreement in accordance with the terms hereof.

"**Termination Payment**" means the different termination payments required to be paid by either Party hereunder in respect of different termination events, as set out in this Agreement;

"**Termination Payment Date**" means the date falling ninety (90) days following the Termination Date;

"**Threshold Limit**" means 5% in aggregate over the Concession Period.

"**Training**" means the organized and formal procedure by which Employees gain knowledge and/or skill for a definite purpose and refers to the teaching, managing and learning activities carried on for the primary purpose of helping members of an organization acquire and apply the knowledge, skills, abilities, and attitudes needed by a particular job and organization to create positive attitudes through clarifying the behaviors and attitudes that are expected from the Employees. Such Trainings shall be for a minimum of 18 hours with reference to the KPIs in an academic year.

"**Transferor**" means, for the purposes of Article 11, the Shareholder purporting to transfer its shares or interests in the Operator.

"**Transferee**" means, for the purposes of Article 11, the Person to whom the Transferor purports to transfer its shares or interests in the Operator.

"**Transfer Date**" means:

(a) in case of early Termination of this Agreement prior to the end of the Concession Period, the Termination Payment Date subject to the Authority making payment of the relevant Termination Payment to the Operator on or prior to such date;

(b) in case of end of the Concession Period, the last day of the Concession Period.

"**Unscheduled Outage**" has the meaning given in Article 7.4.3.

"**Vacation**" means the annual vacations of the public schools and/or public holidays, as may be notified by the Authority from time to time.

1.2 RULES OF INTERPRETATION

1.2.1 In this Agreement unless the context otherwise requires:

(i) The words importing the singular means the plural and vice-versa; and words importing the masculine shall include the feminine and vice-versa.

(ii) Where any word or expression is given a defined meaning, any other grammatical form of that word or expression shall have the corresponding meaning, where the context requires.

(iii) "Article" and "Annex" shall refer, respectively to Articles of and Annexes to this Agreement. The Annexes to this Agreement shall form integral part of this Agreement.

(iv) The headings and sub-headings in this Agreement (and references to them) are included for convenience only and shall not be taken into account in interpreting this Agreement.

(v) The references to any agreement or deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may, from time to time, be amended, varied, supplemented or novated.

(vi) A requirement that a payment be made on a Day which is not a business day shall be construed as a requirement that the payment be made on the next following business day.

(vii) The words "written" and "in writing" includes a facsimile transmission and any means of reproducing works in a tangible and permanently visible form.

2 CONDITIONS PRECEDENT

2.1 EFFECTIVENESS OF THE AGREEMENT

The Article 1, 2, 5, 14, 15, 16, 17, 18, 19 and 20 and the related Annexes (if any), shall come into force on the date of execution of this Agreement. The other provisions of this Agreement shall come into force on the Effective Date.

2.2 OPERATOR'S CONDITIONS PRECEDENT

2.2.1 The Operator shall satisfy or procure the satisfaction of the following Conditions Precedent as soon as reasonably possible and in any event by the Long-stop Date and give notice to the Authority no later than 5 (Five) Days after the date of satisfaction of each condition.

2.2.2 The Conditions Precedent to be satisfied by the Operator are as follows:

(a) submitting to the Authority certified true copies of all resolutions adopted by the board of directors (or other equivalent body) of the Operator authorizing execution, delivery and performance of this Agreement;

(b) certified copies of all Applicable Permits that are required for all activities contemplated under this Agreement including operation of the Facility, if applicable;

(c) providing a legal opinion to the Authority from a reputable and appropriately experienced legal counsel of the Operator acceptable to the Authority confirming that: (i) the Operator has obtained all necessary Applicable Permits for the purpose of performance of the Operator's obligations and the exercise of the Operator's rights under this Agreement; (ii) that the Applicable Permits are in full force and effect; and (iii) the Operator has duly and validly executed this Agreement and the terms of this Agreement are fully enforceable against the Operator;

(d) submitthe Performance Security to the Authority as contemplated in Article 5.1; and

(e) the Operator shall have opened up the Operator Annuity Amount Payment Account and notified the same to the Authority;

(f) [●]

in each case, in such form as may be satisfactory to the Authority (acting reasonably).

2.3 AUTHORITY'S CONDITIONS PRECEDENT

2.3.1 The Authority shall satisfy or procure the satisfaction of the following Conditions Precedent as soon as reasonably possible and in any event by the Long-stop Date and give notice to the Operator no later than 5 (Five) Days after the date of satisfaction of each condition; provided that the Authority shall not be obligated to procure the satisfaction of any of the following Conditions Precedent unless the Operator has fulfilled its Conditions Precedent specified in Article 2.2.2.

2.3.2 The Conditions Precedent to be satisfied by the Authority are as follows:

(a) the Authority has opened up the Authority Annuity Amount Payment Account (Escrow Account) and has funded it up to the first Payable Annuity Amount Payment as per the ANNEX XIV;

(b) the Authority has handed over possession of the Facility to the Operator in accordance with the Handing Over Criteria;

(c) the Authority has notified the EMOs District Support Committee(s) and has appointed its representatives on such EMOs District Support Committee(s); and

(d) the Authority has issued a notification, notifying the handing over of the Facility to the Operator;

in each case, in such form as may be satisfactory to the Operator (acting reasonably).

2.4 JOINT CONDITIONS PRECEDENT

2.4.1 The Parties shall jointly satisfy or procure the satisfaction of the following Conditions Precedent as soon as reasonably possible and in any event by the Long-stop Date.

2.4.2 The Conditions Precedent to be jointly satisfied by the Parties are as follows:

(a) jointly appointing the Independent Expert as contemplated in Article 7.1.3; and

(b) jointly appointing the Independent Auditor as contemplated in Article 7.1.1.

2.5 EFFECTIVE DATE

Subject to Article 2.1, this Agreement shall come into force and effect on the Effective Date, provided such date is before the Longstop Date.

2.6 CONSEQUENCES OF FAILURE TO FULFILL THE CONDITIONS PRECEDENT

2.6.1 If the Operator fails to fulfill any of the Conditions Precedent that it is required to fulfill under Article 2.2 by the Long-stop Date (unless waived or deferred by the Authority in its absolute discretion), the Authority shall be entitled to terminate this Agreement by issuing a written notice of 30 (Thirty) Days to the Operator.

2.6.2 On such termination, the Authority shall be entitled to draw on the Performance Security of the Operator (and if the Performance Security has not been submitted by the Long-stop Date, the Bid Security) in its entirety, as a genuine pre-estimate of and reasonable compensation for loss and damages caused to the Authority as a result of the Operator's failure to fulfill the Conditions Precedent and implement the Project in accordance with the terms of this Agreement.

2.6.3 If the Authority fails to fulfill any of the Conditions Precedent that it is required to fulfill under Article 2.3 by the Long-stop Date (unless waived or deferred by the Operator in its absolute discretion), the Operator shall be entitled to terminate this Agreement by issuing a written notice of 30 (Thirty) Days to the Authority.

2.6.4 If the Parties fail to fulfill any of the Conditions Precedent that they are required to fulfill under Article 2.4 by the Long-stop Date (unless waived or deferred by the mutual consent of the Parties), either Party shall be entitled to terminate this Agreement by issuing a written notice of 30 (Thirty) Days to the other Party

2.6.5 On termination of this Agreement pursuant to Articles 2.6.3 above, the Authority shall return the Performance Security to the Operator if the same has been received by the Authority (and if the Performance Security has not been received by the Authority, the Bid Security). For sake of clarity, the Authority shall not draw on any of the aforesaid securities in case of termination due to the Authority's failure to fulfill any of the Conditions Precedent. The Parties further agree that in case of termination of this Agreement for whatever reason prior to the Effective Date, the Authority shall not be liable to compensate the Operator in respect of such termination.

2.7 The Parties hereby jointly undertake to procure the Commencement Certificate from the Independent Expert within three (3) days of the date on which the Independent Expert is satisfied that each of the Conditions Precedent have been satisfied, deferred and/or waived. The Independent Expert shall set out in the Commencement Certificate the date on which the Effective Date is achieved.

3 GRANT OF CONCESSION AND CONCESSION PERIOD

3.1 GRANT OF THE CONCESSION

3.1.1 In consideration of the Operator's obligations contained in this Agreement and relying on the Operator's warranties contained herein, the Authority, subject to the terms of this Agreement, hereby grants to the Operator and authorizes it, for the duration of the Services Period, to manage and operatie the Project, including the Facility, and to exercise and enjoy the rights, powers, benefits, privileges, authorizations and entitlements as set forth in this Agreement.

3.1.2 The Operator agrees that the Authority shall have the sole and exclusive right to require from the Operator, full availability of the Facility throughout the Services Period and in accordance with the Good Industry Practice.

3.2 CONCESSION PERIOD

3.2.1 Subject to early termination in accordance with this Agreement, the Concession is granted for a period of 10 (Ten) years commencing from the Effective Date (the "Concession Period").

3.2.2 Notwithstanding anything to the contrary stated in this Agreement, the Operator may request an extension of the Concession Period at any time at least one (01) year prior to the Expiry of Concession Period; provided that at the time of the request the Operator is materially in compliance with its obligations under this Agreement and is not otherwise facing a default therein. The Authority has a right to accept or reject this request for extension at its sole and absolute discretion.

3.3 RIGHT, TITLE AND INTEREST IN THE FACILITY

3.3.1 The Parties acknowledge that full ownership, rights and title to the Facility (including any additions, modifications or construction thereon carried out by the Operator pursuant to this Agreement) shall be vested with the Authority throughout the Services Period and thereafter and the Operator shall not create any encumbrance or other third-party rights over the Facility or any part thereof or otherwise sub-let or part with the possession of the Facility at any time during the Services Period.

3.3.2 The Authority shall be entitled to use the Facility at any time and from time to time in accordance with the Applicable Laws, in particular during national emergencies, elections and other similar events where it is customary to use the Facility for such purposes; provided that the Authority shall give a reasonable notice to the Operator prior to exercising any rights hereunder and shall ensure that there is minimum impact on the Services being rendered by the Operator hereunder due to Authority's use of the Facility and that the Facility is not damaged or destroyed. The Operator shall assist the Authority in this regard and shall also extend the services of the school staff during such time, as may reasonably be requested by the Authority.

3.3.3 Subject to Article 3.3.2 above, the Operator undertakes that the Facility shall not be used for any commercial or private purposes, including but not limited to public gatherings, functions, weddings, political events, other than any events specifically linked to the purposes for which the Concession is granted to the Operator. The Authority hereby undertakes that it shall not permit or request the Operator to facilitate any of the foregoing events at the Facility.

3.4 IMPROVEMENTS IN THE FACILITY

3.4.1 The Parties agree that the Operator shall be free to purchase, at its own cost and expense, assets, equipment or other teaching aids required to be used in the Facility, in particular those that assist the Operator in fulfilling the KPIs. The Operator shall from time to time also replace the obsolete equipment and assets being used in the Facility with new assets and equipment at its own cost. The Parties further agree that all such assets, equipment or other teaching aids (whether originally provided by the Authority or purchased or replaced by the Operator) shall be the property of the Authority and shall be handed over to the Authority, free from any encumbrances on the Transfer Date.

3.4.2 The Operator shall be free to use its own personal assets in the Facility, the ownership whereof shall remain with the Operator.

3.5 AUTHORITY'S ASSISTANCE

3.5.1 The Authority shall provide and shall seek the co-operation of other relevant Government Authorities for providing such reasonable assistance as may be reasonably requested by the Operator for obtaining the grant or renewal of the Applicable Permits (if any) required for the performance of the Operator's obligations or the exercise of the Operator's rights under this Agreement.

3.6 EXPIRY OF CONCESSION PERIOD

3.6.1 Upon occurrence of the Expiry Date, the Operator shall hand-over the Facility to the Authority on the Transfer Date and in accordance with the Taking-Over Criteria.

4 GENERAL COVENANTS

4.1 COVENANTS DURING THE SERVICES PERIOD

4.1.1 The Operator agrees and undertakes that throughout the term of this Agreement:

(a) it shall retain and maintain the Facility in peaceful possession, in accordance with Good Industry Practices, and enjoy the benefits of the Facility in accordance with terms and conditions contained herein.;

(b) it shall perform all its obligations in accordance with this Agreement and ensure that it meets the KPIs;

(c) except as specifically permitted under this Agreement, it shall not vacate or part with the possession of the Facility;

(d) during the entire Services Period, the Operator shall obtain and maintain all Applicable Permits that are required for all activities contemplated under this Agreement including the operation of the Facility unconditionally, or if such Applicable Permits are subject to conditions, then comply with all such conditions and the same shall be kept in full force and effect for the entire Services Period;

(e) it shall not, without the prior written consent of the Authority or otherwise as stated in **ANNEX XV**, change the level of education being provided at the Facility (i.e. if a Facility is providing primary level education, it would continue to do so);

(f) it shall follow the national curriculum prescribed by the Government Authorities and shall use the reading materials and other books prescribed and/or provided by the Government Authorities, including the Authority. Without prejudice to the foregoing, the Operator shall be free to assign any additional reading materials, books or methods of learning that are permitted under the Applicable Laws;

(g) it shall as reasonably possible ensure expenditure and costs associated with the performance of the obligations as contemplated under the Concession Agreement in pursuance of the Financial Bid having taking into account the existing and anticipated enrollment of students in the Facility,

(h) it shall ensure compliance with all Applicable Laws; and

(i) it shall undertake, at its own cost and expense, the responsibility of provision of security of the Facility.

(j) [●][1]

4.1.2 At all times before, during or after the Services Period, the Operator shall hold harmless and indemnify the Authority from and against all loss, liability, damage, cost, expense, interest, fines, penalties, claims and amounts paid in settlement, suffered, incurred, paid or payable by the Authority in relation to or arising from the Operator's use of the Facility or any part thereof. Notwithstanding anything to the contrary, all risks (including any claims and liabilities) relating to the right, title and interests of the Authority in the Facility or any part thereof shall, during or after the Services Period, vest with the Authority.

4.1.3 Notwithstanding anything to the contrary contained in Article 4.1.1 above, the Operator agrees that:

(a) the Authority and its representatives/nominees shall have full rights to enter upon, access and utilize the Facility, for the purpose of monitoring the performance and activities of the Operator under this Agreement or pursuant to this Agreement;

[1]Further covenants may be included (if required) at the time of finalization of the Concession Agreement with the Preferred Bidder.

(b) the Authority, the Independent Expert and the Independent Auditor shall have full rights to enter upon, access and utilize the Facility, for the purpose of exercising their rights and fulfillment of their duties under this Agreement; and

(c) Government Authorities shall have the right to enter upon and access the Facility in accordance with the Applicable Law,

Provided that such access does not unreasonably interfere with or hinder the performance of the Operator's obligations under this Agreement. The Authority shall use its best endeavors to notify the Operator prior to exercising any rights under this Article 4.1.3.

4.1.4 The Operator shall not engage in (and shall not authorize or permit any Affiliate or any other Person acting on its behalf to engage in), with respect to the Project or any transaction contemplated by this Agreement, any Sanctionable Practices.

5 PERFORMANCE SECURITY

5.1 On or prior to the Long-Stop Date, the Operator shall submit to the Authority an unconditional and irrevocable on-demand bank guarantee or standby letter of credit, issued by a scheduled bank operating in Pakistan that is reasonably acceptable to the Authority, having a long-term credit rating of at least "A-" according to the PACRA rating scale for financial institutions, for an amount that is equal to 1% (one percent) of the total Project Cost of PKR **[●]** /- (in words][2] and substantially in the form set out under ANNEX VII, to secure the due performance of the Operator's obligations during the Services Period and for the purposes set out in Article 2.6 and this Article 5 (the "Performance Security").[3]

5.2 The Operator shall maintain the Performance Security in full force and effect from the date on which it is issued until the date falling 90 (Ninety) Days following the last Day of the Services Period (the "Performance Security Expiry Date"), at which date the Performance Security shall be released.

5.3 If the Performance Security is scheduled to expire prior to the Performance Security Expiry Date, then the Operator shall notify the Authority of the same at least 30 (Thirty) Days prior to the scheduled expiry of the Performance Security, and the Operator shall (notwithstanding such notification) arrange for an extension and/or replacement of the Performance Security such that it remains valid and in full force and effect until the Performance Security Expiry Date. If the Operator fails to extend the Performance Security in terms of this Article 5.2, the Authority shall be entitled to drawdown the Performance Security (without any notice, reference or prior recourse to the Operator or any other Person) in full. The amount so received shall be treated as a cash-retention and to the extent that there are no outstanding claims thereto, shall be released upon submission of a new Performance Security acceptable to the Authority or upon the Performance Security Expiry Date.

5.4 The Authority shall have the right to draw on the Performance Security (without any notice, reference or prior recourse to the Operator or any other Person) upon the Operator's failure to honor any of its obligations, responsibilities or commitments under this Agreement. In addition, the Authority shall have the right to draw on the Performance Security (without any notice, reference or prior recourse to the Operator or any other Person), as applicable, in accordance with Article 2.6.

[2]This performance security shall be equal to 1% of the total Project Cost that the bidder bids in its Bidding Documents.

[3]Performance Security of 1% shall be on the total project cost which shall be inclusive of the costs of (i) Independent Expert, (ii) Independent Auditor and (iii) Consideration for Escrow Account Payment per year OR as per the budget heads of the Financial bid.

6 [NOT USED]

6.1 [NOT USED]

7 SERVICES PERIOD

7.1 INDEPENDENT AUDITOR & INDEPENDENT EXPERT

7.1.1 As a Condition Precedent to the Effective Date, the Parties shall jointly appoint an Expert to fulfill the duties and obligations of the Independent Auditor during the Services Period (the "**Independent Auditor**").

7.1.2 The procedure for, the terms of appointment and the scope of work of the Independent Auditor are set out at **ANNEX-VI**.

7.1.3 As a Condition Precedent to the Effective Date, the Parties shall jointly appoint an Expert to fulfill the duties and obligations of the Independent Expert during the Services Period (the "**Independent Expert**").

7.1.4 The procedure for, the terms of appointment and the scope of work of the Independent Expert are set out at **ANNEX-VI**.

7.1.5 All fees, costs, charges and expenses payable to the Independent Auditor and the Independent Expert shall be solely borne by the Operator, notwithstanding that the Independent Auditor and the Independent Expert shall be jointly appointed by the Authority and the Operator. Further, notwithstanding that the fees, costs, charges and expenses payable to the Independent Auditor and the Independent Expert shall be borne by the Operator:

(a) the Independent Auditor and the Independent Expert shall act independently and in an unbiased manner and shall perform their services for the benefit and in the best interests of the Project and not that of any other Person or entity and shall not act on any instructions issued by any Party in respect of the Project unless the same are:

(i) contemplated by this Agreement to be issued by such party and/or the Independent Auditor / Expert Agreement; or

(ii) jointly issued by the Parties;

(b) the Independent Auditor and the Independent Expert shall be independent monitors, Experts and/or auditors and shall not be considered employees, agents or representatives of the Parties or any other stakeholder in the Project or any Affiliate of any of them, for any purpose.

The Operator shall pay all fees, costs, charges and expenses due to the Independent Auditor and the Independent Expert in a diligent and timely manner and in accordance with the terms of engagement of the Independent Auditor and the Independent Expert respectively. Failure by the Operator to pay in a diligent and timely manner and in accordance with the terms of engagement of the Independent Auditor and the Independent Expert shall entitle the Authority to drawdown the Performance Security (without any notice, reference or prior recourse to the Operator or any other Person) and utilize such amounts to directly make payment to the Independent Auditor and the Independent Expert, in which case the Operator shall forthwith resubmit the Performance Security.

7.1.6 The Parties may replace the Independent Auditor and/or the Independent Expert in any of the following circumstances:

(a) if the Independent Auditor and/or the Independent Expert have not discharged their duties in accordance with Article 7.1.5 below;

(b) if the Parties mutually agree not to renew the appointment of the Independent Auditor and/or the Independent Expert; or

(c) if the Independent Auditor and/or the Independent Expert tender their resignation/ or termination of contract in accordance with the terms of their engagement.

The Parties shall comply with **ANNEX-VI** in appointing such replacement of Independent Auditor and/or Independent Expert.

7.1.7 The Independent Auditor and the Independent Expert shall be required to act independently, reasonably, fairly and expeditiously in fulfilling their duties and obligations under this Agreement.

7.1.8 The Independent Auditor and the Independent Expert shall at all times during the Services Period, have the right to enter upon and access the Facility. The Operator shall accompany and co-operate with the Independent Auditor and the Independent Expert during their attendance at the Facility. The Independent Auditor and the Independent Expert shall have no authority to delay or hinder the performance of the Services, except in accordance with the terms and conditions contained herein.

7.1.9 The Operator agrees that notwithstanding any approval (including any deemed approval) of, review by or compliance with the instructions of the Independent Auditor and/or the Independent Expert, the Operator shall be solely responsible for the Services and shall bear all risk and liability for the same.

7.2 COMMENCEMENT OF PERFORMANCE OF SERVICES

7.2.1 The Operator shall be obligated to commence the Services in respect of the Facility as and from the Effective Date.

7.2.2 As and from the Effective Date, the Operator shall, subject to the issuance of Annuity Ammount Payment Certificate, be entitled to demand and collect the Annuity Amount Payments in accordance with Article 8.

7.3 GENERAL REQUIREMENTS

7.3.1 The Operator, in order to convert the Facility into Successful School, shall undertake and be responsible for the O&M of the Facility and shall perform the Services in a manner that is in compliance with the KPIs, the Applicable Laws, the Applicable Permits, the Technical Proposal provided during the bidding stage and Good Industry Practice.

7.3.2 The Operator may undertake the O&M of the Facility and perform the Services itself and/or through its employees and agents possessing the requisite technical, financial, administrative, managerial and teaching expertise and capability.

7.3.3 The Operator shall at all times during the Services Period, provide the Authority, the Independent Auditor, the Independent Expert and their representatives with reasonable access to the Facility for monitoring of the Services and for conducting inspections and audits in accordance with this Agreement.

7.3.4 The Operator shall develop and implement a safety and surveillance program for the Facility, and adopt appropriate safeguards and measures for security of environment, human life and property at the Facility in accordance with the Applicable Laws and Good Industry Practice.

7.4 REPAIR AND MAINTENANCE OF THE FACILITY

7.4.1 The Operator shall maintain the Facility in line with Good Industry Practice and shall ensure that the Facility is fully operational throughout the Service Period. The Authority shall pass on to the Operator any benefits of defect liability periods under the relevant construction contractors of the Facility.

7.4.2 The Operator shall not schedule any major repair or maintenance work in respect of the Facility at any time during the Services Period without the prior written consent of the Authority. The Operator shall ensure that all major repair and maintenance work in respect of the Facility is scheduled at a time during the vacations and/or public holidays when the Facility is free and the consent of the Authority is sought in respect of such work and the period required to complete the same prior to undertaking such work. The Operator shall submit in writing to the Authority (with copies to the Independent Auditor and Independent Expert), the details and costs of all major maintenance and repair works proposed to be undertaken by the Operator in respect of the Facility at least thirty (30) days prior to the vacations in which such repair and maintenance work is being planned. All major repair and maintenance work and the costs thereof shall be certified by the Independent Auditor prior to the Authority approving the same and making appropriate disbursements in respect of such works; provided that the Independent Auditor and the Authority shall certify, amend and/or approve (as applicable) the request of the Operator within a period of thirty (30) days. The Authority shall disburse the costs of such repair and maintenance, as certified by the Independent Auditor, to the Operator with the upcoming Annuity Amount Payment Date of the aforesaid approval. For sake of clarity any

amounts paid by the Authority to the Operator in respect of repair and maintenance work pursuant to this Article 7.4.2 shall be in addition to the Annuity Amount Payments required to be made hereunder.

7.4.3 When the need arises for an unscheduled outage in order to undertake emergency maintenance during an Academic Year ("**Unscheduled Outage**"), the Operator shall advise the Authority of such need and the commencement and estimated duration of such work. The Authority shall allow the Operator to schedule such outage within a period of time that is reasonable under the circumstances and not exceeding the time required by Good Industry Practice. The Operator shall advise the Authority of the above matters by a notice in writing, and the Authority shall respond within 72 (Seventy Two) hours from receiving such notice. In case an extension is required in the Unscheduled Outage period, such extension shall be subject to the prior written approval of the Authority.

7.4.4 In the event the Operator ceases to operate any Facility for a period of 72 (Seventy Two) consecutive hours, other than due to a Force Majeure Event or an Unscheduled Outage, the Authority shall be entitled, upon giving a 24 (Twenty Four) hours prior written notice, to step-in and undertake O&M and perform the Services at such Facility until the Operator demonstrates to the satisfaction of the Authority that it can and will resume normal operation of such Facility.

7.4.5 If the Authority has not notified the end of the step-in after the expiry of a period of 90 (Ninety) Days starting from the date of step-in by the Authority, and except as otherwise agreed by the Parties, the Agreement shall automatically be terminated for an Operator Event of Default. The exercise of the Authority's rights under this Article 7.4 shall be at the cost, risk and expense of the Operator. The Authority shall not be required to make any payments to the Operator during the time of step-in other than those payments that are already due and payable to the Operator under this Agreement prior to the time of step-in.

7.5 APPLICABLE PERMITS AND APPLICABLE LAWS

7.5.1 The Operator shall make any applications required in respect of and to obtain all Applicable Permits for the performance of the Services, to the Authority, in accordance with the provisions of the Applicable Laws. The costs of complying with this requirement shall be borne solely by the Operator.

7.5.2 The Authority shall use reasonable endeavors to assist the Operator in obtaining the Applicable Permits from the relevant Government Authorities, provided that the Operator has complied with all the requirements contained in the Applicable Laws for applying for such Applicable Permits.

7.5.3 The Operator shall comply with the conditions of all Applicable Permits, the provisions of all Applicable Laws and with Good Industry Practice in carrying out the Services at the Facility at all times during the Services Period.

7.5.4 In the event of any Lapse of Consent, the Operator shall notify the same to the Authority (with a copy to the Independent Expert and the Independent Auditor) within 3 (Three) Days after becoming aware thereof. Following receipt of such notification by the Authority, the Operator shall provide the Authority all documents and information notified by the Authority to the Operator in respect of such Lapse of Consent.

7.6 RECORDS, REPORTING, ACCOUNTS AND AUDITS

7.6.1 The Operator shall maintain records (in both, soft and hard format) of all students, teachers, staff, books, resources, equipment and compliance with the KPIs during the Services Period.

7.6.2 The Operator shall maintain books of accounts recording all expenses incurred and payments received from the Authority and other revenues derived/collected by it from or on account of the Facility and the Services.

7.6.3 The Operator shall deliver to the Authority (after due verification by the Independent Expert) the following reports within the time specified below:

(a) Quarterly reports relating to the performance of Services at the Facility, meeting/non-meeting of KPIs and a summary of the income received and expenditure incurred during such quarter prepared substantially in

the form set out in **ANNEX – V**, and delivered to the Authority in writing (by email or facsimile) within 10 (Ten) Days after the end of each Quarter;

(b) reports on any critical damage or security lapse at the Facility leading to any interruptions or outages of the Facility within 10 (Ten) Days of each such occurrence;

(c) reports on any material litigation (including any winding-up proceedings or notice to commence winding-up), proceedings or material disputes to which the Operator is a party, the appointment of a receiver or administrator in relation to the business or assets of the Operator and any adverse orders or judgments passed by any Government Authorities that affects or is likely to affect the performance of the Services, as soon as reasonably possible after the occurrence of such events.

7.6.4 The Operator shall generate detailed invoices in terms of this Agreement to the Independent Auditor claiming the expenditure incurred (along with the bills/ invoices for the amount spent) for the particular quarter including the Management Fee.

7.6.5 Without limiting the Operator's obligations under Applicable Laws, during the Services Period and for a period of 3 (Three) years thereafter, the Operator shall on demand produce to the Authority all such evidence as may be reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to any of the provisions of this Agreement.

7.6.6 The Operator shall make available to the Authority, the Independent Expert and the Independent Auditor, all books and records maintained by the Operator upon a request being made by any of them. The Operator shall and shall cause its employees and agents to fully co-operate and provide all assistance to the Authority, the Independent Expert and the Independent Auditor.

7.6.7 The Authority, the Independent Expert and the Independent Auditor will have the right to access, make copies of and audit, all such books, records, accounts, financial statements, reports, evaluations and any other information relating to the performance of the Services.

7.6.8 The Operator shall provide the Authority with 2 (two) copies of its audited financial statements, along with a report thereon by the Independent Auditor, within 60 (Sixty) Days of the close of the Financial Year.

7.6.9 The Operator shall also provide the Authority with 2 (two) copies of the Annual KPI's report, duly reviewed and certified by the Independent Expert, within 30 (Thirty) Days of the end of each Academic Year to which they pertain.

7.6.10 If the Independent Auditor reports an inaccuracy in any statement or computation that has resulted in an over-payment or an under-payment of an amount by a Party (a "**Payment Error**"), the amount of such Payment Error shall be adjusted in the next quarterly payment due immediately after receipt of notification from the Independent Auditor of such Payment Error.

7.6.11 For avoidance of doubt, the Operator is required to provide KPIs report (duly verified by the Independent Expert) on quarterly basis to the Authority and the Independent Auditor which will conform, inter alia, the meeting of the KPIs. Also, the Parties agree that the Operator shall conduct the financial audits in accordance with the Applicable Laws at the end of each Financial Year and provide the audited financial statements in accordance with this Agreement.

7.6.12 Notwithstanding the above mentioned, the Operator may provide the KPIs report for the first two quarters, which report shall not affect the Annuity Payments in respect of the first two quarters. Operator is however strictly required to adhere with the time lines and frequency as mentioned in the KPIs in respect of, inter alia, annual management plans, implementation framework timelines, annual scheme of studies, baseline surveys and all other necessary documentation as mentioned in the KPIs.

7.7 PROVISION OF UTILITIES

7.7.1 The Operator shall be solely responsible for arranging for all utilities for the O&M of the Facility, inter alia, including solar power generation in accordance with the Invitation for Bids. Notwithstanding the foregoing, the Authority shall be solely responsible to pay any outstanding dues or claims in respect of any utilities consumed at the Facility prior to the commencement of the Concession Period.

7.7.2 Where the Operator seeks to procure any utilities from Government Authorities, the Authority shall use reasonable endeavors to assist the Operator in obtaining rates from such Government Authorities that are no higher than the rates offered to commercial or industrial users of such utilities.

7.8 EMPLOYEES

7.8.1 Not Used

7.8.2 Operator's Employees

7.8.2.1 The Operator shall employ and shall be entitled to directly offer employment to any suitably qualified, experienced and skilled personnel (**Operator's Employees**) on such terms and conditions as it deems fit, subject to Good Industry Practice and Applicable Laws, for the purpose of undertaking the operations, management and maintenance of the Facility and the performance of the Services in accordance with the requirements set out in Article 7.3.1. The Operator shall also appoint appropriately trained staff to provide basic health facilities at the Facility.

7.8.2.2 The Authority is not and shall not be treated as the "employer" of or be deemed to have any contractual or other relationship with the Operator's Employees under any of the Applicable Laws or Applicable Permits relating to labor issues. The Operator shall hold harmless and indemnify the Authority against all losses that arise and/or that are incurred as a result of any claims made against the Authority in respect of matters relating to health and safety and the employment or welfare of the Operator's Employees.

7.8.2.3 The Operator shall be solely responsible to remunerate and make other payments, as per the relevant contracts, to the Operator's Employees. The Operator shall also be responsible for and shall indemnify the Authority against any costs or losses suffered by the Authority in respect of any misconduct, violation of law, malpractice or mistreatment of students by any of the Operator's Employees.

7.8.3 Mechanism for Transfer of Non-performing Employees of the Authority

7.8.3.1 In the event the Operator is of the opinion that any one or more of the Authority`s Employees are not performing in accordance with the Employment Criteria ("Non-Performing Employees"), the Operator shall notify the Independent Expert in writing along with reasonable details of the Employment Criteria not being met by such Non-performing Employees (Operators Notice).

7.8.3.2 Within 30 (thirty) days of receipt of the Operators Notice, the Independent Expert shall reach a decision in respect of the Non-Performing employees and such decision shall be communicated in writing to the Authority and to the Non-performing Employee within the following lines:

(i) The claims made in the Operators Notice may be rejected, in which case the Non-Performing Employees shall continue to be employed at the Facility in accordance with this Agreement; or

(ii) The claims made in Operators Notice may be accepted, in which case the Independent Expert shall communicate in writing to the Authority and the Operator to Transfer the Non-Performing Employees as per The Sindh Civil Servant (Appointment, Promotion & Transfer) Rules 1974, from the Facility (as soon as practicable and in any event within a period of 45 (forty five) days and to provide the Operator with a suitable replacement thereof.

7.8.3.3 Not Used.

7.8.4 Appraisal of the Employees

The Operator shall evaluate all employees working at the Facility, including the Authority's Employees and the Operator's Employees (collectively the **Employees**), on an annual basis in accordance with the timelines agreed upon between the Parties. The evaluation and appraisal of the Employees shall be based on the Employment Criteria; provided however the Authority shall have the sole and absolute discretion with respect to promotion, appraisals, remuneration and other benefits of the Authority's Employees. The Operator shall provide the report containing the evaluation of all Employees, carried out at the end of each year, to the Authority within 30 (Thirty) days of the end of each such year.

7.8.5 Training of Employees

7.8.5.1 The Operator shall ensure that the Employees are at all times properly trained in accordance with Good Industry Practice, for their respective functions.

7.8.5.2 The Operator shall not discriminate between the Authority's Employees and the Operator's Employees with regard to their Training, development, evaluation and appraisals.

7.8.5.3 The Authority shall assist the Operator in arranging for appropriate Training programs for the Employees and the Parties shall agree upon a Training schedule at least 30 (Thirty) days prior to the start of such Training(s), which Training schedule shall specify the number and details of Trainings to be attended by each Employee and the relevant Party who will arrange and pay for such Trainings.

7.8.5.4 Notwithstanding the foregoing, the Operator shall be responsible to conduct at least two (2) training session each of at least 18 hours for each Employee, in particular the teaching staff, in each Financial Year. Such training can be provided in-house. The costs of such training sessions is to be borne by the Operator.

7.8.5.5 The Operator shall ensure that all teacher Trainings are scheduled during the Vacations; provided that any Trainings scheduled during the Vacations should not exceed sixty (60) hours in aggregate; provided further that if any teacher Trainings are required to be conducted during a period other than the Vacations, the Operator shall ensure that there is minimum disruption to the Services.

7.8.6 Other Employee Matters

7.8.6.1 In no event, whether upon expiration or early termination of the Concession Period, will the Authority be liable to reimburse or indemnify the Operator against any costs or liabilities (including any liability to pay retrenchment compensation) arising as a result of the termination of the employment of any or all of the Operator's Employees. The Operator shall be responsible for discharging all such costs or liabilities arising by operation of law.

7.9 BOOKS

Prior to the start of each Academic Year or otherwise as may be required, the Authority shall use its best endeavors to provide the relevant text books to be used by the Operator at the Facility, which books shall be in accordance with the national curriculum prescribed by the Government Authorities. In the event the Authority fails to timely provide the relevant text books the Operator shall be free to arrange for and provide the same or use any existing resources available at the Facility.

7.10 ADDITIONAL SERVICES

The Authority may request, if permitted under the law, the Operator for any additional services beyond the scope of this Agreement and shall compensate the Operator for any such services performed by the Operator ("**Request for Additional Services**"). Request for Additional Services shall be communicated in writing to the Operator by the Authority and the Operator may accept or decline any such request(s). In case of acceptance of Request for Additional Services, the Operator shall quote reasonable charges against the Request for Additional Services, along with a time frame for executing, performing, implementing and delivering any services as a result of Request for Additional Services. The Authority shall compensate the Operator according to the arrangement mutually agreed between the Authority and Operator for any Request for Additional Services. If a mutual consent is not reached between the Parties regarding the costs associated with the Request for Additional Services, the Independent Expert may be consulted by the Parties to reach a decision regarding the expected cost involved with providing the additional services as mentioned in the Request for Additional Services.

7.11 OTHERS

7.11.1 All new entrants in the Facility, after the Effective Date or beyond the optimum capacity of the Facility, shall be provided the same level of services as contemplated under the Concession Agreement, and such enrollments or new admissions shall not be construed as providing additional services. However, it must be noted that the quality of education shall not be adversely effected in any manner and the Operator must ensure that its meets the KPIs and perform all other roles, duties and functions as contemplated to be performed by the Operator under this Agreement.

7.11.2 Authority may, however, if permitted under the law, reasonably compensate the Operator upon request initiated by the Operator regarding any increase in operation cost as a direct result of increased number of students, in regular attendance not anticipated in the Financial Bid ("Student Enrollment Escalation Notice"). Authority in its sole discretion, upon receipt of any such Student Enrollment Escalation Notice, provide reasonable compensation to the Operator and such compensation shall be provided beyond the Project Cost. However, Student Enrollment Escalation Notice shall be issued by the Operator not before at least two (02) years from the Effective Date.

8 ANNUITY AMOUNT PAYMENTS AND INVOICING

8.1 ANNUITY AMOUNT PAYMENTS

8.1.1 Subject to the provisions of this Agreement and in consideration of the Concession and the undertaking by the Operator to perform and discharge its obligations in accordance with the terms and conditions set out in this Agreement, the Authority agrees and undertakes to pay each Payable Annuity Amount Payment to the Operator on its corresponding Annuity Amount Payment Date in accordance with the terms of this Agreement.

8.2 ANNUITY AMOUNT PAYMENT ADJUSTMENT EVENTS & ANNUITY AMOUNT PAYMENT ADJUSTMENT

8.2.1 The Annuity Amount Payments payable by the Authority to the Concessionaire on each Annuity Amount Payment Date shall be subject to Annuity Amount Payment Adjustment (as calculated in accordance with the Annuity Amount Payment Adjustment Formula) due to occurrence of the Annuity Amount Payment Adjustment Events during the Annuity Amount Payment Evaluation Period relating to such Annuity Amount Payment Date.

8.2.2 The following events (as certified in writing by the Independent Expert) shall constitute the Annuity Amount Payment Adjustment Events; provided, that the same shall not constitute an Annuity Adjustment Event in case the same results from the Permitted Events (excluding the Non-Political Events) (the **Annuity Amount Payment Adjustment Events**):

(a) the Facility has remained out of operation at any time during an Academic Year; or

(b) the Independent Expert determines that:

(i) the Operator has not met any one or more of the KPIs or has failed to attain the requisite percentage of any particular KPI (provided, however, the non-meeting of KPIs in the first two quarters of the Concession Period shall not constitute an Annuity Amount Payment Adjustment Event); and

(ii) the Operator has failed to maintain the Facility in accordance with the provisions of this Agreement (as permitted in the Reporting Forms, if applicable),irrespective of whether the Facility have been functioning properly or not.

8.2.3 At the occurrence of Annuity Amount Payment Adjustment Events, Notice of Annuity Amount Payment Adjustment to be given to the Operator by Independent Expert relating to compliance of unmet or partially met KPIs. The Operator shall in this case be subjected to the Annuity Amount Payment Adjustment Events as set out in Annexure XII. In case, the Operator meets the prerequisite(s) as set out in the Notice of Annuity Amount Payment on or before the end of next quarter then the cost associated for the fulfillment of the unmet or partially met KPI should be redeemed to the Operator in the corresponding quarter.

8.2.4 Notwithstanding the above the Notice for Annuity Amount Payment shall not be applicable on the last quarter of the academic year. Interalia, the unmet or partially met KPI`s by the Operator will be subject to Annuity Amount Payment Adjustment Events as set out in Annexure XII of this Concession Agreement.

8.2.5 In the event if the Facility is not operational during a given Academic Year (as determined by the Independent Expert), the same shall constitute an Operator Event of Default and the Authority may at its discretion Terminate this Agreement in accordance with Article 15.1 except in cases where the same is due to the Permitted Events.

8.3 DETERMINATION OF PAYABLE ANNUITY AMOUNT PAYMENT & ANNUITY AMOUNT PAYMENT CERTIFICATE

8.3.1 Ten (10) days prior to the first (1st) Annuity Amount Payment Date and thereafter within ten (10) days of each Annuity Amount Payment Evaluation Date relating to an Annuity Amount Payment Date, the Operator shall procure that the Independent Expert issue a verified KPIs report and that the Independent Auditor issue a written certificate

in respect of such Annuity Amount Payment Date (the **Annuity Amount Payment Certificate**) to the Operator, the Authority and the Authority Annuity Amount Payment Account Bank setting out (wherever applicable):

(a) the Annuity Amount Payment Adjustment Events (excluding the first two quarters) occurring in the Annuity Amount Payment Evaluation Period relating to such Annuity Amount Payment Date;

(b) the Annuity Amount Payment Adjustment calculated on the basis of the Annuity Amount Payment Adjustment Events occurring in the Annuity Amount Payment Evaluation Period relating to such Annuity Amount Payment Date;

(c) the Payable Annuity Amount Payment to be paid on such Annuity Amount Payment Date; and

(d) the Annuity Payment Account Funding Amount to be funded by the Authority.

8.4 PAYMENT OF ANNUITY AMOUNT PAYMENTS

8.4.1 At least five (5) days prior to the each Annuity Amount Payment Date, the Authority shall deposit the Payable Annuity Amount Payment into the Authority Annuity Amount Payment Account.

8.4.2 Following issuance of the Annuity Amount Payment Certificate by the Independent Auditor; the Concessionaire and the Independent Auditor (where applicable) shall (at least ten (10) days prior to the Annuity Amount Payment Date relating to such Annuity Amount Payment Certificate):

(a) deliver an invoice (together with copies of the Annuity Amount Payment Certificate appended thereto) to the Authority in triplicate demanding payment of the Payable Annuity Amount Payment from the Authority Annuity Amount Payment Account (the **Annuity Amount Payment Invoice**); and

(b) deliver the Annuity Amount Payment Certificate to the Authority Annuity Amount Payment Account Bank for payment to the Operator of the Payable Annuity Amount Payment on the relevant Annuity Amount Payment Date through, as per Annuity Amount Payment Account Standing Instructions, debiting of funds standing to the credit of the Authority Annuity Amount Payment Account on the Annuity Amount Payment Date in an amount equal to the Payable Annuity Amount Payment and crediting of the same to the Operator Annuity Amount Payment Account on the Annuity Amount Payment Date.

8.4.3 Any Dispute between the Parties in respect of any matters set out in the Annuity Amount Payment Certificate shall be resolved in accordance with the provisions of Article 18, provided however such Dispute shall not affect the payment of the Payable Annuity Amount Payment (as set out in the **Annuity Amount Payment Certificate**) to the Operator in accordance with the provisions of Article 17; provided, further, that following resolution of such Dispute, adjustments to the Annuity Amount Payments (to the extent required) shall be made in accordance with the determination/resolution of the Dispute.

8.5 AUTHORITY ANNUITY AMOUNT PAYMENT ACCOUNT

8.5.1 The Authority shall establish and maintain the Authority Annuity Amount Payment Account as soon as possible after signing of this Agreement and until the Expiry Date. The Authority Annuity Amount Payment shall be an escrow account.

8.5.2 The Authority shall issue irrevocable standing instructions to the Authority Annuity Amount Payment Account Bank (in form and substance agreed between the Parties) (the **Authority Annuity Amount Payment Account Standing Instructions**) containing, inter alia, instructions to the Authority Annuity Amount Payment Account Bank:

(a) to debit the Authority Annuity Amount Payment Account on each Annuity Amount Payment Date (upon receipt of an Annuity Amount Payment Certificate relating to such Annuity Amount Payment Date) in an amount equal to the Payable Annuity Amount Payment and credit the same to the Operator Annuity Amount Payment Account;

(b) in the event of Termination of this Agreement, to debit the Authority Annuity Amount Payment Account in an amount equal to the Unpaid Termination Payment Amount and credit the same to the Operator Annuity Amount Payment Account, in accordance with Article 17 below.

8.5.3 The Authority Annuity Amount Payment Account Standing Instructions issued by the Authority shall be irrevocable and shall remain effective, in each case, until the Expiry Date, and no withdrawal from the Authority Annuity Amount Payment Account may be made by the Authority, except as provided in this Agreement.

8.5.4 The Authority Annuity Amount Payment Account Standing Instructions (or any part thereof) issued by the Authority may be revoked pursuant a written revocation notice duly executed and confirmed by the Parties.

8.5.5 The Authority Annuity Amount Payment Account shall be strictly operated and maintained in accordance with the Authority Annuity Amount Payment Account Standing Instructions. Further, the Authority hereby undertakes and covenants with the Operator that it shall not create, incur, permit, assume or suffer to exist any encumbrance whatsoever upon or with respect to the Authority Annuity Amount Payment Account.

8.5.6 The Authority shall fund the Authority Annuity Amount Payment Account in an amount equal to the Annuity Payment Account Funding Amount on each Annuity Amount Payment Account Funding Date until the Expiry Date.

9 [Budget Realignment]

9.1 Budget Revision/ Re-appropriation

9.1.1 In order to minimize the administrative burden associated with revised budget requests, the Operator is allowed flexibility to adapt their quarterly and yearly spending patterns to match the changing circumstances of the project.

In general, a formal revised budget approval request to the Authority will occur with the condition that no revision or re-appropriation is allowed for Management Fees, whereasother budgetary revisions/ re-appropriations may be allowed under the following terms.

The proposed revised budget shall be submitted by the Operator to the Independent Expert and the Independent Auditor warranting advice and endorsement. Proposed changes allowed via budget revisions and/or re-appropriations if applicable will then be submitted to the Authority by the Independent Auditor.

Notwithstanding the above the Authorityreserves its full discretion to approve or disapprove the budgetary Revisions and/or Re-appropriations proposed by the Independent Auditor on behalf of the Operator. The Budgetary revisions can be proposed by the Operator on yearly and quarterly basis subject to the condition that the Project Cost shall remain the same as submitted in the financial bid accepted by the Authority.

9.1.2 Budget Revision if approved by the Authority shall then be incorporated in the Annuity Amount Payment Schedule ANNEX XIII of this Concession Agreement with copies supplied to all necessary quarters.

9.1.6 Anticipating the need for Revision or Re-appropriation in the yearly budget; the Operator should present the request to Authority for realignment at least before 2 quarters before the proposed changes are desired for. Furthermore, the Operator is advised to limit budgetary revisions and or re-appropriations requests to the Authority.

10 EMERGENCY STEP-IN

10.1 Upon the occurrence of an Emergency, the Authority reserves the right to suspend the performance of the Services by the Operator and to step-in and take control over the O&M and the performance of the Services on a temporary basis. The Authority may only exercise such right of suspension by issuing a prior written notice of at least 48 (Forty Eight) hours.

The notice shall set out the following, to the extent possible in light of the circumstances of Emergency:

(a) The nature of the Emergency and the reason for the step-in;

(b) The date on which the Services are suspended;

(c) The likely duration of the suspension; and

(d) The effect of the suspension on the Operator and any reasonable obligations of assistance required of the Operator during the suspension period.

10.2 During the suspension of the performance of the Services by the Authority pursuant to Article 10.1 above:

(a) the Operator shall be relieved from its obligations to provide the Services but shall provide reasonable assistance to the Authority upon request;

(b) the Authority shall be responsible for bearing all costs and expenses in relation to the O&M (including any agreed or scheduled maintenance) and the performance of the Services; and

(c) the Operator shall not be entitled to any other payment or relief from the Authority in connection with such suspension and step-in.

10.3 If the suspension of the performance of the Services by the Operator pursuant to Article 10.1 above continues for a period exceeding 60 (Sixty) Days, then the Operator shall be entitled to terminate this Agreement by giving a notice of at least 30 (Thirty) Days.

10.4 On termination of this Agreement pursuant to Article 10.3 above, the Authority shall pay the Termination Compensation to the Operator in accordance with Article 17 below. Only for the purpose of determination of the Termination Compensation payable by the Authority, the suspension of the Services to be provided by the Operator and the performance of Services by the Authority in accordance with this Article 10 shall be treated as an "Authority Event of Default" unless such the Emergency or step-in was caused by an Operator Event of Default.

All other consequences of termination that are set out at Article 16.4 shall apply.

11 OPERATOR SHAREHOLDING

11.1 SHAREHOLDING INFORMATION

11.1.1 The Operator represents and warrants to the Authority that at the date of execution of this Agreement, the membership of the Operator is as follows:

(a) [●]

(b) [●]

11.1.2 (each of which shall be a "Shareholder" for the purposes of this Agreement) and that no arrangements are in place that have or may have or result in any change in the membership of the Operator.

11.2 CHANGE IN OWNERSHIP AND / OR CONTROL

11.2.1 Subject to Article 11.2.3, the Operator shall not undertake or permit and hereby undertakes to procure that the Shareholders as set out in Article 11.1.1 shall not undertake or permit at any time any Change in Ownership And / Or Control unless such Change in Ownership and/or Control:

(a) is required by any Applicable Laws or by the operation of the Applicable Laws or by order of a court, tribunal, or Government Agency with appropriate jurisdiction; or

(b) is effected with the prior written approval of the Authority, which approval shall not be unreasonably withheld if the Transferor demonstrates to the Authority that the Transferee is at least as legally, technically and financially qualified and suitable to meet the Transferor's Project obligations. In this regard:

(i) the Transferor, or the Operator on behalf of the Transferor, shall submit to the Authority documents in respect of the Transferee as reasonably demonstrate that the Transferee is at least as legally, technically and financially qualified and suitable to meet the Transferor's Project obligations;

(ii) the Authority shall review such documents, and notify to the Transferor, with a copy to the Operator, its written determination based on such review, no later than 60 (Sixty) Days following the date of submission of all required documentation by the Transferor; and

(iii) if the Authority does not notify its written determination within the time period set out above, the Authority shall be deemed to have approved the transfer or assignment.

11.2.2 Without prejudice to the provision of Article 11.2.1and subject to Article 11.2.3, the Operator shall not undertake or permit and hereby undertakes to procure that each of the Shareholders (excluding the Shareholders set out in Article 11.1.1) of the Operator do not undertake or permit any transfers or assignments of their shares or interests in shares of the Operator until the Expiry Date unless the same:

(a) is required by any Applicable Laws or by the operation of the Applicable Laws or by order of a court, tribunal, or Government Authority with appropriate jurisdiction; or

(b) is effected with the prior written approval of the Authority.

11.2.3 Notwithstanding anything to the contrary set out herein, the Operator shall not undertake or permit and hereby undertakes to procure that each Transferor does not undertake or permit any transfers or assignments of its shares or interests in shares of the Operator to any Transferee:

(a) whose nationality is restricted by the Applicable Laws; and

(b) that has been named, and has entered into any transaction with, or for the benefit of, any of the individuals or entities named, on lists of sanctioned Persons promulgated by the United Nations Security Council or its committees pursuant to any resolution under Chapter VII of the United Nations Charter.

12 CHANGE IN LAW

12.1 CONSEQUENCES OF QUALIFYING CHANGE IN LAW

12.1.1 If a Qualifying Change in Law occurs, then within 90 (Ninety) Days of its occurrence either Party may notify the other expressing its opinion on its likely effects, giving details of its opinion of:

(a) any necessary change in the O&M or in the Services to be performed;

(b) whether any changes are required to the terms of this Agreement to deal with such Qualifying Change in Law;

(c) whether relief from compliance with obligations is required, including the obligation of the Operator to meet the KPIs, on occurrence of any relevant Qualifying Change in Law;

(d) any increase in costs or delay that will result from the Qualifying Change in Law;

(e) any capital expenditure that is required or no longer required as a result of a Qualifying Change in Law taking effect during the Services Period; and

(f) in each case giving in full detail the procedure for implementing the change in the O&M or in performance of the Services.

A Party suffering from a Qualifying Change in Law shall not be entitled to claim any relief under this Article 12.1 unless it has served the notice within the time period set out above.

12.1.2 As soon as practicable after receipt of any notice from either Party under Article 12.1.1 above, the Parties shall discuss and attempt to agree the issues referred therein and any ways in which the Operator can mitigate the effect of the Qualifying Change in Law, including:

(a) providing evidence that the Operator has used reasonable endeavors to minimize any increase in costs and maximize any reduction in costs;

(b) demonstrating to the Authority that the Qualifying Change in Law is the direct and primary cause of the increase in costs and/or delay and the estimated increase in costs or delay could not reasonably be expected to be mitigated or recovered by the Operator; and

(c) demonstrating that any expenditure which was anticipated to be incurred to replace or maintain assets that have been affected by the Qualifying Change in Law, has been taken into account in the amount stated in its opinion presented under Article 12.1.1.

12.1.3 If the Parties have complied with Articles 12.1.1 and 12.1.2 and the Parties mutually agree or it is determined by the Independent Expert or Independent Auditor in accordance with Article 18.1.2 that the Operator is required to incur additional capital expenditure or the Operator has suffered any increase in costs due to a Qualifying Change in Law, then the Operator shall (subject to the provisions of this Article 12.1) be entitled to receive compensation from the Authority either by way of a lump-sum payment or by any other means that the Parties mutually agree.

12.1.4 The quantum of relief (whether extension of time or compensation) that the Operator shall be entitled to under Article 12.1.3 shall be as agreed by the Parties or as determined by the Independent Expert or Independent Auditor in accordance with Article 18.1.2, provided always that:

(a) the Operator shall bear any increased cost or loss of net profit after tax, up to the Threshold Limit; and

(b) the Operator shall only be entitled to relief that is reasonable for such Qualifying Change in Law.

12.1.5 If the Operator enjoys any reduction in costs as a result of the occurrence of the Qualifying Change in Law, provided that such reduction in costs of the Operator as a result of the occurrence of the Qualifying Change in Law is more

14 FORCE MAJEURE

14.1 FORCE MAJEURE EVENT

14.1.1 A "**Force Majeure Event**" shall mean any event or circumstance or combination of events or circumstances (including the effects thereof) that is beyond the reasonable control of a Party and that on or after the Effective Date materially and adversely affects the performance by such affected Party (the **Affected Party**) of its obligations under or pursuant to this Agreement; provided, however, that, such material and adverse effect could not have been prevented, overcome or remedied in whole or in part by the Affected Party through the exercise of diligence and reasonable care, it being understood and agreed that reasonable care includes acts and activities to protect the Facility from a casualty or other event that are reasonable in light of the probability of the occurrence of such event, the probable effect of such event if it should occur, and the likely efficacy of the protection measures. Without limiting the generality of the foregoing, "**Force Majeure Events**" hereunder shall include each of the following events and circumstances (including the effects thereof), but only to the extent that each satisfies the requirements above:

(a) the following political events that occur inside or directly involve the province of Sindh and affect the Operator's ability to undertake the Services or operate the Facility (each a **Political Event**):

(i) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, or act or campaign of terrorism or political sabotage; or

(ii) any Lapse of Consent of which report to the Authority, the Independent Expert and the Independent Auditor shall have been given under Article 7.5.4 and that shall have existed for thirty (30) consecutive days or more; or

(iii) any strike, work-to-rule, go-slow, or analogous labour action that is politically motivated or is widespread or nationwide.

(b) the following events beyond the reasonable control of the affected Party (each a **Non Political Event**), including, but not limited to:

(i) Lightning, fire, earthquake, tsunami, flood, storm, cyclone, typhoon, or tornado; or

(ii) any Lapse of Consent of which report to the Authority, the Independent Expert and the Independent Auditor shall have been given under Section 7.5.4 and that shall have existed for less than thirty (30) consecutive days; or

(iii) any strike, work-to-rule, go-slow, or analogous labour action that is not politically motivated or is not widespread or nationwide; or

(iv) explosion, chemical contamination, radioactive contamination or ionizing radiation (except to the extent any of the foregoing events or circumstances results directly from a Political Event, in which case such event or circumstance shall constitute a Political Event); or

(v) epidemic or plague.

(c) Force Majeure Events shall expressly not include the following conditions, events or circumstances:

(i) late delivery or interruption in the delivery of any equipment or consumables in respect of the Facility;

(ii) a delay in the performance of any Employee;

(iii) a breakdown in the Facility or any part thereof; and

(iv) normal wear and tear or random flaws in the Facility or the assets located thereon,

provided, that each of the events described in clauses (c)(i), (ii), (iii) or (iv) shall constitute a Force Majeure Event to the extent that such events or circumstances are caused by an event or circumstance that is in itself a Force Majeure Event whether experienced directly by the Operator or the Employees.

14.2 OBLIGATION TO NOTIFY

14.2.1 Notwithstanding anything contained herein, the Affected Party shall, as soon as practicable, and in any case within forty-eight (48) hours of the occurrence of a Force Majeure Event or from the date of having knowledge thereof, Notify the Independent Expert, the Independent Auditor and the other Party, of the occurrence of the Force Majeure Event by the issuance of a notice in writing (the **Force Majeure Notice**).

14.2.2 The Affected Party shall provide all relevant details in respect of the Force Majeure Event in the Force Majeure Notice, including but not restricted to the following:

(a) the nature and extent of the Force Majeure Event;

(b) the estimated Force Majeure Period;

(c) the nature of and the extent to which, performance of any of the Affected Party's obligations under this Agreement are affected by the Force Majeure Event;

(d) the measures which the Affected Party has taken or proposes to undertake to alleviate/mitigate the impact of the Force Majeure Event and to resume performance of such of its obligations that are affected by the Force Majeure Event; and

(e) any other relevant information concerning the Force Majeure Event, and/or the rights and obligations of the Parties under this Agreement.

14.2.3 The Parties shall, as soon as practicable upon the receipt of the Force Majeure Notice and in any case within five (5) days from the date of receipt of the same, convene a meeting, along with the Independent Expert for the purpose of conducting discussions, in good faith, and where necessary the Parties shall agree to conduct inspections and/or surveys of the Facility in order to:

(a) assess the impact of the underlying Force Majeure Event;

(b) to determine the likely duration of Force Majeure Period; and

(c) to formulate damage mitigation measures and the steps to be undertaken by the Parties for resumption of the obligations, the performance of which had been affected by the Force Majeure Event.

14.2.4 The Affected Party shall during the Force Majeure Period provide to the other Party with regular (not less than weekly) reports and such other information, details and/or documents that the other Party may reasonably require.

14.3 CONSEQUENCE OF FORCE MAJEURE EVENT

14.3.1 Upon occurrence of a Force Majeure Event, the following shall apply:

(a) there shall be no Termination of this Agreement except in accordance with the provisions of Article 14.5 and Article 16;

(b) in the event of occurrence of a Force Majeure Event:

(i) the timelines for performance by the Operator of its relevant obligations to be performed shall be extended by the Force Majeure Period (as determined by the Independent Expert and the Independent Auditor);

(ii) if the Independent Expert determines, the Operator shall be excused from the fulfillment of the KPIs for the duration of the Force Majeure Period, and the Parties, in consultation with the Independent Expert, may revise the KPIs to be fulfilled by the Operator for the Academic Year in which the Force Majeure Event occurs;

(iii) all costs, fees, expenses and charges arising from and relating to the Force Majeure Event shall be allocated in accordance with Article 14.4,

provided, however, that no relief, including extension of time for performance of the Services, shall be granted to the Affected Party to the extent that such failure or delay would nevertheless have been experienced by the Affected Party had the Force Majeure Event not occurred.

14.4 ALLOCATION OF COSTS ARISING OUT OF FORCE MAJEURE

14.4.1 Upon occurrence of a Force Majeure Event, the Authority shall fund and bear the Force Majeure costs (less any insurance proceeds, if any, received by the Operator in respect of such Force Majeure Event).

14.4.2 Save and except as expressly provided in this Article 14.4.2, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereto.

14.5 TERMINATION NOTICE FOR FORCE MAJEURE EVENT

14.5.1 If:

(a) a Force Majeure Event subsists for a continuous period of one hundred and twenty (120) days, either Party may in its discretion Terminate this Agreement by issuing a Termination Notice to the other Party; or

(b) in case of a Political Event, the Authority determines that the Force Majeure costs relating to the same are unacceptable then the Authority may in its discretion Terminate this Agreement by issuing a Termination Notice to the Operator,

in each case above, without being liable in any manner whatsoever, save as provided in this Article 14.5 and Article 14.6, and upon issue of such Termination Notice, this Agreement shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith; provided, that before issuing such Termination Notice, the Party intending to issue the Termination Notice shall inform the other Party of such intention and grant fifteen (15) days' time to make a representation, and may after the expiry of such fifteen (15) days period, whether or not it is in receipt of such representation, in its sole discretion issue the Termination Notice.

14.6 TERMINATION PAYMENT FOR FORCE MAJEURE EVENT

14.6.1 The Authority shall pay Termination Compensations, if any, as a result of termination due to a Force Majeure Event in accordance with Article 17 of this Agreement.

14.7 FORCE MAJEURE DISPUTE RESOLUTION

14.7.1 In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such Dispute shall be finally settled in accordance with the Dispute Resolution Procedure; provided, that the burden of proof as to the occurrence or existence of such Force Majeure Event shall be upon the Party claiming relief and/or excuse on account of such Force Majeure Event.

14.8 EXCUSE FROM PERFORMANCE OF OBLIGATIONS

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

(a) the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event and/or of the effects of the same;

(b) the Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and

(c) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party (with a copy to the Independent Expert and the Independent Auditor) notice to that effect and shall promptly resume performance of its obligations hereunder.

15 EVENTS OF DEFAULT

15.1 THE OPERATOR EVENT OF DEFAULT

"**Operator Event of Default**" means any of the following events arising out of any acts or omissions of the Operator and which have not occurred as a direct consequence of any Authority Event of Default, a Qualifying Change in Law, a Fundamental Change in Law or a Force Majeure Event and (unless otherwise provided for in this Agreement) where the Operator has failed to remedy the defects specified in the Remedial Action Notice issued in accordance with Article 16.1.1:

(a) abandonment by the Operator which means a cessation of the performance of Services or other obligations of the Operator for a period of 30 (Thirty) consecutive Days;

(b) the breach by the Operator of its obligations to maintain insurances in accordance with Article 13;

(c) the breach by the Operator of its material obligations under this Agreement;

(d) reduction or interruption in the availability of Facility, excluding Scheduled Outage, for a period of 10 (Ten) Days in aggregate;

(e) any material representation made or warranties given by the Operator under this Agreement being false or misleading;

(f) failure of the Operator to obtain and maintain a valid Performance Security under Article 5.1;

(g) breach of the Operator's obligations under Article 11;

(h) the Operator entering into liquidation or similar state or if any order is made for the compulsory winding up or dissolution of the Operator or if the Operator becomes unable to pay its debts as they fall due or the appointment of a receiver or administrator in respect of the Operator, its business and assets or any re-structuring, re-organization, amalgamation, arrangement or compromise affecting the Operator's ability to fulfill its obligations under this Agreement or that otherwise has or may have a Material Adverse Effect (in the reasonable opinion of the Authority);

(i) the occurrence of a Sanctionable Practice; and/or

(j) failure of the Operator to make any payments that are due to be made to the Authority under this Agreement, and if such failure is not cured within a period of sixty (60) days.

15.2 AUTHORITY EVENT OF DEFAULT

"**Authority Event of Default**" means any of the following events, unless such an event has occurred as a consequence of the Operator Event of Default, a Qualifying Change in Law, a Fundamental Change in Law or a Non Political Force Majeure Event and only where the Authority has failed to remedy the defects specified in the Remedial Action Notice issued in accordance with Article 16.1.1 within the Remedial Period:

(a) Failure to maintain and/or fund the Authority Annuity Amount Payment Account in accordance with the provisions of this Agreement;

(b) breach of the obligations with respect to transfer or assignment of its rights and obligations under this Agreement as provided in Article 20.12;

(c) any material representation made or warranties given by the Authority under this Agreement being false or misleading;

(d) a failure by the Authority to fulfill any other material obligations under this Agreement;

(e) a Change in Law that (i) renders this Agreement unenforceable, or (ii) prevents any Party from exercising its rights and/or performing its obligations hereunder, or (iii) prevents the Operator from undertaking the Services pursuant to this Agreement; and/or

(f) failure of the Authority to make any payments that are due to be made to the Operator under this Agreement, and if such failure is not cured within a period of ninety (90) days.

16 REMEDY OF DEFAULTS AND TERMINATION PROCEDURE

16.1 Performance of Obligations

16.1.1 If at any time either Party has failed to perform any of its obligations under this Agreement and that failure is capable of remedy, then the other Party may serve a notice (a "**Remedial Action Notice**") requiring such Party to remedy that failure (and any damage resulting from that failure) within a stipulated period (the "**Remedial Period**").

16.1.2 If the Party, on whom a Remedial Action Notice is served, fails to remedy the Event of Default within the Remedial Period, or if no Remedial Action Notice is given pursuant to Article 16.1.1, the non-defaulting Party may deliver a notice to the defaulting Party stating its intention to terminate this Agreement ("**Notice of Intent to Terminate**"). The Notice of Intent to Terminate shall specify with reasonable detail, the grounds on which termination is sought and any relevant defaults committed by the defaulting Party.

16.1.3 Provided that in case of Article 15.1 (a), (h) and (i), the Authority shall have the right to immediately deliver a Notice of Intent to terminate, without any obligation to first serve a Remedial Action Notice or to provide a Remedial Period to the Operator.

16.1.4 The provisions of this Agreement, to the fullest extent necessary to give effect thereto, shall survive the term of the Agreement or the termination of this Agreement and the obligations of Parties to be performed or discharged following the termination of this Agreement, shall accordingly be performed or discharged by the Parties.

16.2 CONSEQUENCES OF DEFAULT

16.2.1 Event of Default Remedy Period

(a) Following the service of the Notice of Intent to Terminate, the defaulting Party shall have a period of not less than 60 (Sixty) Days ("**EoD Remedy Period**") to cure the Event of Default; provided that in case of Articles 15.1 (a), (e), (f), (g), (h) and (i), the Authority shall have the right to immediately terminate the Agreement herewith on the provision of the Notice of Intent to Terminate, without any obligation to provide an EoD Remedy Period.

(b) During the EoD Remedy Period, the defaulting Party may continue to undertake efforts to cure the Event of Default. During the EoD Remedy Period, the Parties shall continue to perform such of their respective obligations under this Agreement, which are capable of being performed with the objective, as far as possible, of ensuring continued availability of the Project and the continued performance of the Services, failing which the Party in breach shall be liable to compensate the other Party for any loss or damage occasioned or suffered on account of breach of conditions of this Agreement.

16.2.2 Withdrawal of Notice of Intent to Terminate

(a) If, during the EoD Remedy Period, the defaulting Party rectifies or remedies the Event of Default to the satisfaction of the innocent Party or the innocent Party is satisfied with steps taken or proposed to be taken by the defaulting Party or the Event of Default has ceased to exist, the innocent Party shall withdraw the Notice of Intent to Terminate in writing.

(b) If following the end of the EoD Remedy Period, the breach has not been remedied or the defaulting Party has not taken steps or proposed to take steps to remedy the Event of Default to the satisfaction of the innocent Party or the proviso in Article 16.2.1(a) applies, then the innocent Party shall be entitled to issue the Termination Notice to the defaulting Party, whereupon this Agreement shall terminate forthwith.

16.3 ACCRUED RIGHTS AND LIABILITIES

16.3.1 Notwithstanding anything to the contrary contained in this Agreement, any termination of the Agreement pursuant to the provisions contained herein shall be without prejudice to accrued rights of either Party including its right to claim and recover damages and other rights and remedies which it may have in law or contract. All accrued rights and obligations of either Party under this Agreement, including without limitation, all rights and obligations with

respect to Termination Compensation, shall survive the termination of this Agreement, to the extent such survival is necessary for giving effect to such rights and obligations.

16.3.2 Nothing in this Article 16.3 shall prevent or restrict the right of the Authority to seek injunctive relief or a decree of specific performance or other discretionary remedies of the court.

16.4 CONSEQUENCES OF TERMINATION

16.4.1 If this Agreement is terminated prior to its expiry:

(a) by the Authority due to an Operator Event of Default,

(i) the right of the Operator to the Annuity Amount Payments shall stand terminated with immediate effect and no Annuity Amount Payments shall accrue and / or be payable to the Operator from the date of the Termination Notice; provided, however, the Authority shall effect payment of the undisputed, accrued and unpaid Annuity Amount Payments up to the date of the Operator's receipt of the Termination Notice;

(ii) the Operator shall immediately and in any event on the Transfer Date, hand-over the Facility to the Authority in accordance with the Taking-Over Criteria;

(iii) the Authority shall pay to the Operator on or prior to the Termination Payment Date, by way of Termination Payment, an amount determined in accordance with Article 17.

(b) by the Operator due to an Authority Event of Default,

(i) the right of the Operator to the Annuity Amount Payments shall stand terminated with immediate effect and no Annuity Amount Payments shall accrue and / or be payable to the Operator from the date of the Termination Notice; provided, however, the Authority shall effect payment of the undisputed, accrued and unpaid Annuity Amount Payments up to the date of the Operator's receipt of the Termination Notice;

(ii) the Operator shall immediately and in any event on the Transfer Date, hand-over the Facility to the Authority in accordance with the Taking-Over Criteria;

(iii) the Authority shall pay to the Operator on or prior to the Termination Payment Date, by way of Termination Payment, an amount determined in accordance with Article 17.

(c) by any Party as a result of a Force Majeure Event or a Fundamental Change in Law,

(i) the right of the Operator to the Annuity Amount Payments shall stand terminated with immediate effect and no Annuity Amount Payments shall accrue and / or be payable to the Operator from the date of the Termination Notice; provided, however, the Authority shall effect payment of the undisputed, accrued and unpaid Annuity Amount Payments up to the date of the Operator's receipt of the Termination Notice;

(ii) the Operator shall immediately and in any event on the Transfer Date, hand-over the Facility to the Authority in accordance with the Taking-Over Criteria;

(iii) the Authority shall not be required to make any further payments to the Operator on account of such termination.

16.5 RIGHTS OF THE AUTHORITY ON TERMINATION AND/OR FINAL EXPIRY DATE

16.5.1 In case of Termination of this Agreement for any reason whatsoever and subject to receipt by the Operator of the Termination Payment on or prior to the Transfer Date or in case of expiry of this Agreement on the Expiry Date, the Authority shall, on the Transfer Date, have the power and authority to:

(a) take possession and control of Facility;

(b) prohibit the Operator and any person claiming through or under the Operator from entering upon the Facility or any part thereof.

16.6 TERMINATION PAYMENTS

16.6.1 The Termination Payment shall be payable to the Operator by the Authority on or prior to the Termination Payment Date in accordance with a demand being made by the Operator in writing, subject to the same being duly certified by the Independent Expert and Independent Auditor.

16.7 MODE OF PAYMENT

16.7.1 Notwithstanding any instructions to the contrary issued or any dispute raised by the Operator, the Termination Payment, and all other payments that are or may be payable by the Authority under any of the provisions of this Agreement shall be made only by way of credit directly to the Operator's Annuity Payment Account.

16.7.2 Notwithstanding anything to the contrary contained in this Agreement, any Termination pursuant to the provisions of this Agreement shall be without prejudice to accrued rights of either Party including its right to claim and recover money damages and other rights and remedies which it may have in law or contract. All rights and obligations of either Party under this Agreement, including without limitation Termination Payment, shall survive the Termination of this Agreement to the extent such survival is necessary for giving effect to such rights and obligations.

17 COMPENSATION ON TERMINATION

17.1 CONSEQUENCES OF TERMINATION - COMPENSATION

17.1.1 Termination Due to Operator Event of Default

17.1.1.1 Upon termination of this Agreement on account of an Operator Event of Default at any time, the Operator shall pay to the Authority, as Termination Compensation, an amount equal to the value of the Performance Security. In this regard the Authority may, as the Termination Compensation due from the Operator, encash the entire Performance Security.

17.1.2 Termination Due to Authority Event of Default, Political Force Majeure Event or Fundamental Change in Law

17.1.2.1 Upon termination of this Agreement due to an Authority Event of Default, the Authority shall pay to the Operator, as Termination Compensation, an amount equal to one (1) year's Management Fee.

17.1.2.2 Upon termination of this Agreement due to a Political Force Majeure Event or a Fundamental Change in Law, the Authority shall pay to the Operator, as Termination Compensation, an amount equal to one (1) year's Management Fee.

17.1.3 Termination Due to Non-Political Force Majeure Event

17.1.3.1 Upon termination of this Agreement due to a Non Political Force Majeure Event, the Authority shall not be liable to make any payments to the Operator in respect of Termination Compensation.

17.2 CALCULATION AND PAYMENT OF TERMINATION COMPENSATION

17.2.1 The final amount of the Termination Compensation payable pursuant to this Agreement shall be calculated by the Independent Auditor. The Independent Auditor shall submit a written report to the Parties setting out his findings within 30 (Thirty) Days of the date on which either Party first sends him a written request to calculate the Termination Compensation. The Parties shall provide all reasonable assistance to the Independent Auditor in order to enable him to achieve his mission within the prescribed deadline, including, as regards to the Operator, by giving full access to its accounts. The findings of the Independent Auditor as set out in his written report shall be final and binding on the Parties, save to the extent of any manifest error.

17.2.2 The Termination Compensation shall become due and payable to the Operator by the Authority within 60 (Sixty) Days of a demand being made by the Operator, by way of written notice, for the amount set out in the Independent Auditor's written report.

17.3 FULL AND FINAL SETTLEMENT

Notwithstanding anything to the contrary elsewhere in this Agreement, any Termination Compensation determined pursuant to this Article 17.3 shall, once paid, be in full and final settlement of any claim, demand and/or proceedings of the Operator against the Authority, in relation to any misrepresentation, breach and/or termination of this Agreement and the Operator shall be excluded from all other rights and remedies in respect of such misrepresentation, breach and/or termination.

18 DISPUTE RESOLUTION

18.1 PRELIMINARY SETTLEMENT

18.1.1 Amicable Settlement

18.1.2 If any dispute or difference or claims of any kind between the Authority and the Operator in connection with construction, interpretation or application of any terms and conditions or any matter or thing in any way connected with or in connection with or arising out of this Agreement, or the rights, duties or liabilities of any Party under this Agreement, whether during the Concession Period or on expiry thereof, whether before or after the termination of this Agreement ("Dispute"), then the "Partnership Committee" which shall comprise of two representatives, each from the Authority, the Operator and the Independent Expert, being duly notified by the School Education and Literacy Department SELD as the "Partnership Committee" shall meet at the request of any Party or Parties of this agreement, in an effort to resolve such Dispute by discussion between them.

18.1.3 The Partnership Committee shall meet as and when necessary from time to time and attempt in good faith and use their best endeavors at all times to resolve the Dispute and produce written terms of settlement. If the Dispute is not resolved by discussion between them, as evidenced by the signing of the written terms, within 30 (Thirty) Days of raising such Dispute, the Dispute shall be resolved in accordance with Article 18.1.2.

18.1.4 Fast-Track Adjudication by Independent Expert/ Independent Auditor

If any specific dispute or difference or claims of any kind arises between the Authority and the Operator related to the determination of:

(a) existence and the consequences of a Force Majeure Event as specified in Article 14,

(b) an Event of Default as specified in Article 15,

(c) the remedy of defaults and termination procedures as specified in Article 16, and/or

(d) the existence, nature and consequences of a Change in Law,

the Parties hereby agree to refer such matter for fast-track adjudication (subject always to final arbitration in terms of Article 18.2) to the Independent Expert and/or the Independent Auditor.

The Parties may also, if they so agree at that time, refer for determination any other matter of a technical nature to the Independent Expert or to the Independent Auditor.

If any such specific dispute is not resolved by the Independent Expert or Independent Auditor, within 60 (Sixty) Days of its raising, it shall be resolved in accordance with Article18.2.

18.2 DISPUTE SETTLEMENT BY ARBITRATION

18.2.1 Appointment of Arbitrator and Rules governing Arbitration

18.2.2 The Parties acknowledge and agree that this Agreement constitutes a commercial transaction.

18.2.3 Each of the Parties unconditionally and irrevocably agrees in respect of a Dispute:

(a) to the submission of such Dispute to binding arbitration governed by the Arbitration Act, by appointment of three arbitrators, one to be appointed by the Authority, one to be appointed by the Operator and one to be appointed jointly by the two arbitrators appointed by the Authority and the Operator ("**Arbitrators**"). Any arbitration proceedings commenced pursuant to this Article 18.2 shall be referred to as the Arbitration ("**Arbitration**");

(b) not to claim any right it may have under the laws of any jurisdiction to hinder, obstruct or nullify the submission of the Dispute to the Arbitration; and

(c) to accept the Award rendered by the Arbitrator and any judgment entered thereon by a court of competent jurisdiction as final and binding and not to hinder, obstruct or nullify the enforcement or execution of any award rendered by the Arbitrator or court of competent jurisdiction.

18.2.4 Place of Arbitration

The place of the Arbitration shall be Karachi, Pakistan.

18.2.5 English Language

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

18.2.6 Enforcement of the Award

Any decision or award resulting from the Arbitration ("**Award**") shall be final and binding upon the Parties.

The Parties hereby waive, to the extent permitted by Applicable Law, any rights to appeal or to review of such Award by any court or tribunal. The Parties hereto, agree that an Award may be enforced against the Parties to the Arbitration proceeding or their assets, wherever they may be found, and that a judgment upon the Award may be entered in any court having jurisdiction thereof.

18.2.7 Fees and Expenses

The fees and expenses of the Arbitrator and all other expenses of the Arbitration shall be borne and paid by the respective Parties, subject to determination by the Arbitrators. The Arbitrators may provide in the Award for the reimbursement to the prevailing Party of its costs and expenses in bringing or defending the Arbitration claim, including legal fees and expenses incurred by such Party.

18.2.8 Performance during Arbitration

Pending the submission of and/or decision on a Dispute or until the Award is published, the Parties shall continue to perform all of their obligations under this Agreement, without prejudice to a final adjustment in accordance with such Award, unless this Agreement stands terminated. The Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the Award in any arbitration proceedings hereunder.

18.3 SURVIVAL

The provisions of this Article 18 shall survive the termination of this Agreement for any reason whatsoever.

19 REPRESENTATIONS AND WARRANTIES

19.1 MUTUAL REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants to the other Party that:

(a) it has full power and authority to execute, deliver and perform its obligations under this Agreement;

(b) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement;

(c) there are no actions, suits or proceedings pending or to its best knowledge, threatened against or affecting it before any court, administrative body or arbitral tribunal which might materially and adversely affect its ability to meet or perform any of its obligations under this Agreement; and

(d) this Agreement constitutes its legal, valid, binding and enforceable obligation.

19.2 OPERATOR'S REPRESENTATIONS AND WARRANTIES

The Operator represents and warrants to the Authority that:

(a) it has the financial and technical standing and capacity to undertake the Project in accordance with the terms of this Agreement;

(b) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under any of the terms of its Memorandum and Articles of Association or other constitutive documents or those of any member of the Consortium or any Applicable Laws or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;

(c) all information contained in the Bid is true, complete and not misleading;

(d) it has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a Material Adverse Effect on its ability to perform its obligations under this Agreement;

(e) no representation or warranty by it contained herein or in any other document furnished by it to the Authority or to the GoP or the GoS in relation to Applicable Permits contains or will contain any untrue or misleading statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty; and

(f) neither the Operator nor any of its Affiliates, nor any Person acting on its or their behalf, has committed or engaged in, with respect to the Project or any transaction contemplated by this Agreement, any Sanctionable Practice.

19.3 ACKNOWLEDGEMENT

The Parties acknowledge and confirm that the Parties have relied upon and have entered into this Agreement on the basis of the representations, warranties and undertakings made by the Parties hereunder.

20 MISCELLANEOUS PROVISIONS

20.1 SURVIVAL OF OBLIGATIONS

Any cause or action which may have arisen in favour of either Party or any right which is vested in either Party under any of the provisions of this Agreement as a result of any act, omission, deed, matter or thing done or omitted to be done by either Party before the expiry of the term of the Agreement by effluxion of time or otherwise in accordance with the provisions of this Agreement, shall survive the expiry of the Agreement.

20.2 ENTIRE AGREEMENT

The Parties hereto acknowledge, confirm and undertake that this Agreement, as at the date hereof, constitutes the entire understanding between the Parties regarding the Project and supersedes all previous written and/or oral representations and/or arrangements regarding the Project.

20.3 NOTICES

20.3.1 Any notice or request in reference to this Agreement shall be written in English language and shall be sent by registered airmail or facsimile and shall be directed to the other Party at the address mentioned below:

Authority: Sindh School Education and Literacy Department,

Attention: Secretary, School Education and Literacy Department, Government of Sindh.

Address: Secretary School Education and Literacy Department, Government of Sindh.

1st Floor, Tughlaq House, Sindh Secretariat, Karachi, Pakistan.

Tel: 92-21-99211225

Fax: _____

Email: _____

Operator: [●]

Attention: [●]

Address: [●]

Tel: [●]

Fax: _____

Email: _____

20.3.2 Any notice or demand served by registered post shall be deemed to be duly served 48 (Forty Eight) hours after posting and a notice or demand sent by facsimile shall be deemed to have been served at the time of its transmission and in proving service of the same it will be sufficient to prove, in the case of a letter, that such letter was sent by registered airmail, addressed and placed in the post and in the case of a facsimile transmission, that such facsimile was duly transmitted to a current facsimile number of the addressee at the address referred above in office hours.

20.3.3 Each Party may change the above address by prior written notice to the other Party.

20.4 GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of Pakistan.

20.5 COUNTERPARTS

This Agreement may be executed in two counterparts, each of which, when executed and delivered, will be an original, and both counterparts together shall constitute one and the same instrument.

20.6 LANGUAGE

20.6.1 All notices and communications between the Authority, the Operator, the Independent Expert and the Independent Auditor, required under this Agreement, shall be drawn up in English.

20.7 CONFIDENTIALITY

20.7.1 Each of the Parties shall keep confidential and ensure that their employees, officers, consultants and advisers shall keep confidential, all documents and other information, whether technical or commercial, supplied to it by or on behalf of the other Party, relating to the Project and shall not, without the consent of the other Party, publish or otherwise disclose or use the same for its own purposes otherwise than as may be required (i) by Applicable Laws or appropriate regulatory authorities, (ii) to perform its obligations under this Agreement, or (iii) required to be shared with advisers in connection with the Project.

20.7.2 The provisions of Article 20.7.1 here above shall not apply to:

(a) any information in the public domain otherwise than by breach of this Agreement;

(b) information in the possession of the receiving Party thereof before divulgence as aforesaid, and which was not obtained under any obligation of confidentiality

20.8 AMENDMENTS

20.8.1 Any provision of this Agreement must be recorded in an agreement in writing signed by the Parties.

20.9 WAIVERS AND CONSENTS

20.9.1 Any provision or breach of any provision of this Agreement may be waived before or after it occurs only if evidenced by an agreement in writing signed by the waiving Party.

20.9.2 Any consent under or pursuant to any provision of this Agreement must also be in writing and given prior to the event, action or omission for which it is sought.

20.9.3 Any such waiver or consent may be given subject to any conditions thought fit by the Person(s) giving it and shall be effective only in the instance and for the purpose for which it is given.

20.10 SEVERABILITY

20.10.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will, in any way, be affected or impaired and the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

20.10.2 The Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for any such invalid, illegal or unenforceable provision and which are satisfactory to the Operator and produce as nearly as is practicable in all the circumstances the appropriate balance of the commercial interests of the Parties.

20.11 COSTS AND EXPENSES

Each Party shall be responsible for paying its own costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement.

20.12 NO ASSIGNMENT

20.12.1 Except as otherwise provided in this Agreement, the rights and obligations of the Operator under this Agreement shall not be assigned, novated or otherwise transferred to any Person without the prior written consent of the Authority.

20.12.2 The rights and obligations of the Authority under this Agreement shall not be assigned, novated or otherwise transferred to any Person other than a public body or a government company or a statutory corporation that:

(a) is a single entity;

(b) to whom the entire Agreement is assigned and/or transferred; and

(c) has the legal capacity, power and authority to become a party to and to perform the obligations of the Authority under this Agreement.

20.13 GOOD FAITH

Each Party shall act in good faith in exercising its rights and performing its obligations under this Agreement.

20.14 INDEPENDENCE

In respect of all matters dealing with the Concession Agreement the Independent Expert and the Independent Auditor shall be independent and shall ensure that they perform all their obligations in accordance with the **ANNEX-VI** including the Concession Agreement.

In Witness Whereof the Parties hereto have caused this Agreement to be executed by their duly authorized representatives on date first above mentioned:

For and on behalf of:

Governor of Sindh, through School Education And Literacy Department, Government of Sindh, the Authority within named, through its authorised signatory

signature

Name:
Designation: Secretary School Education and Literacy Department Government of Sindh

……..

in the presence of:
signature of **Witnesses**

signature

1- Name:
Address:
CNIC No:

……..

2- Name:
Address
CNIC No:

……

[●]the Operator within named, through its authorized signatory

signature

Name:

Designation:

……..

in the presence of:
signature of Witnesses

1- Name:
Address:
CNIC No:

signature

……..

2- Name:
Address

CNIC No:

……

ANNEX – I TECHNICAL INFORMATION

1. Operating Procedures

This table sets out the operating standards that the Operator should comply with during the operations of the Facility.

Process	Operating procedure
Maintenance Requirements	The Operator shall ensure proper maintenance and repair of the Facility in accordance with Good Industry Practice in order to ensure that the Facility is fully available at all times in accordance with this Agreement.
Management System Requirements	Opening /Closing time of the schools, Schedule of events in the Academic year, Recording keeping, Teacher/students' attendance register/mechanism, Inventory register, Repair and maintenance of school structure, infrastructure, furniture, fixture, facilities and equipment, Devising SOPs and protocols, policy for late comers to the school, SMCs meetings and records/reports, Counselling sessions with the students, Internal Committee for investigation/inquiry for any grave breach of the SOPs or misconduct by the staff and students, Warning / rectification measures, Tuc shop/school canteen menu to provide healthy and not illegal products, supervisory mechanism over the staff, supervisor mechanism over the children, monitoring visitors carefully (report to main office, sign in, wear badges, report unfamiliar people to school office), safety around the school vicinity, safety of all students during school hours, methods of reporting safety concerns by the students, evaluation and feedback from the students, Teacher meetings, prevention of violent incidents at schools, Emergency contact number of staff and students, connect with community partners (emergency responders, area hospitals, victim's assistance, etc) to review emergency response plans, school preparedness drills, encourage students to take responsibility for their part in maintaining safe school environments, consideration of students' culture and religion, etc.
Safety Regulations	The Operator shall comply with the Applicable Laws, Applicable Permits and Good Industry Practice. Safety standards apply to the operation and maintenance of the Facility. The Operator shall specify any laws or policies directly applicable to the EMOs, including Anti Tabaco laws, prevention of child abuse, prevention of harassment at work place, etc. Appropriate approach towards students with drug addiction or mental illness should also be prepared.
Environmental Requirements	The Operator shall comply with all environmental regulations and requirements under the Applicable Laws.
Certifications	The Operator shall ensure that it has all the required certifications required by it to provide the Services under this Agreement.

ANNEX – II KEY PERFORMANCE INDICATORS

MANAGEMENT & ORGANIZATION: Planning, Implementation & Evaluation (Overall Weight-age: 35 Marks):

1	**Key Progress Indicator**	**School Management Plan – 17 Marks**		
	Description	Implementation of an all-inclusive management model comprised of planning, designing, budgeting, implementation framework, managing resources, evaluation, reporting and feedback to meet KPIs, improve student achievement and increase school retention and graduation rates.		
	Measurement/Criterion:	**ACTION PLAN**	**FREQUENCY**	**BIFURCATION OF 17 Marks**
		• Annual Management Plan.*	For the first year of the Concession Period, within 90 days of the effective date and for subsequent years, 30 days prior to the start of the academic year.	**08 Marks**
		• Implementation Framework **	Within 15 days after submission of Annual Management Plan.	**04 Marks**
		• Development of an EMIS and Functioning of the EMIS***	Development within the first academic term, thereafter, reporting on functioning on bi-annual basis	**05 Marks**
	Notes/Guidelines:	*** Annual Management Plan:** An all-inclusive annual management plan for all the schools listed in the Package, encompassing all interventions for management of learning and teaching activities; achievement of KPIs; and also including the interventions articulated by the EMO in its Technical Bid for the Schools in the Package **** Implementation Framework:** A framework for day-to-day School Operations and Management Procedures, SOPs, e.g., School Assembly, School Timetable, Curriculum Management, Lesson Planning, Teaching Methodology Progress Monitoring, Examination System, Skills Development, Co-Curricular Activities etc., implementation framework time line is mandatory.	***** EMIS:** Education and School Management information system including but not limited to Maintenance of School Records. E.g. Attendance, Admissions, Transfers, Hiring, Promotions, School Reports; and Inventory: Blackboard, Bulletin Board, Desk, Chairs, Cupboards, Books and Equipment such as Electrical Equipment (Audio Visual Aids, Computer Hardware/Software etc. Fields of EMIS may be illustrative as school-wise 1)Human Resource database; 2) Student data base including gender, new admissions, drop-out, average attendance, etc.; 3) Learning data base including medium of instruction, quantity of learning material, assessment results, learning events, trainings, co-curricular activities 4)Infrastructure data base 5)Financial data base 6) Assets data base including existing assets, news assets, etc.	

ANNEXURES

<table>
<tr><td rowspan="4">2</td><td>Key Progress Indicator</td><td colspan="3">Improved Staff Availability and Attendance – 08 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Work with the staff and the administrators of all Schools as listed in the Package to improve and ensure availability and attendance of all teaching and non-teaching staff during the entire academic year.</td></tr>
<tr><td>Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>Marks</td></tr>
<tr><td>• Improvement in staff attendance and Functional Attendance Management.*</td><td>Baseline within 60 days of the effective date after signing of the Concession agreement thereafter, reporting on bi-annual basis</td><td>08 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="2">* Improvement in Attendance.

Benchmarked with baseline, demonstrated improvement in staff attendance and availability, till optimum level is achieved.</td><td>* Attendance Management.

Introduction of an Attendance System that ensures a systematic method of data collection, of both teachers and administrative staff to maintain a time based daily/monthly attendance record of the school. Further, leave manual and system may also be introduced in accordance with Authority's existing and evolving instructions.

A motivational program for teachers may also be developed in consultation with the HM and Teachers for non-monetary mechanisms to appreciate improved attendance and availability of all teachers.</td></tr>
</table>

ANNEXURES

<table>
<tr><td rowspan="5">3</td><td>Key Progress Indicator</td><td colspan="3">Improved Students' Enrollment, Attendance and Retention – 10 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Adopt a variety of techniques to increase and retain student enrolments, including conducting local community outreach activities to solicit parents/community support for student enrolments and retention.</td></tr>
<tr><td rowspan="3">Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>Marks</td></tr>
<tr><td>• Students Enrolment*, Attendance Management** and Retention*** Plan.</td><td>Baseline at the start of the academic year or signing of the Concession (within 60 days of the effective date).</td><td>02 Marks</td></tr>
<tr><td>• Improvement in Students Enrolments, Attendance Retention Rates, benchmarked with baseline</td><td>At the end of the first academic term thereafter, reporting on bi-annual basis.</td><td>08 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="3">*Students Enrolment Plan: (Grade/Gender)
It should be a robust plan, particularly focusing on girls' enrolment. Annual enrolment targets are based on baseline student classroom ratio plus 5% for assessment year 1; baseline student classroom ratio plus 10% for assessment year 2, and so on till optimum enrolment of approximately 40 students/classroom is attained. Introduction of student tracking mechanism and G.R filtering.

**Student attendance management plan:
Aggregate student attendance percentage targets more than 90% at the end of academic year with at least 75% individual attendance of enrolled students.

*** Students Retention Plan:
Annual retention targets based on baseline report with gradual decrease in student drop-out ratio if any, particularly girls' dropout. For avoidance of doubt, a student who is absent for a continuous period of ninety (90) days without any prior information or reasonable cause will be considered as dropped-out from the relevant school.</td></tr>
</table>

ANNEXURES

LEARNING AND TEACHING: CURRICULUM AND ASSESSMENT / TEACHING PEDAGOGY (Weightage: 35 Marks)

<table>
<tr><td rowspan="9">4</td><td>Key Progress Indicator</td><td colspan="3">Lesson Planning and Students' Assessment System – 25 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Implementation of the National Curriculum based on Aga Examination board using English as the medium of instructions.; Use of students' data (formative and summative assessments) to inform and differentiate instruction in order to meet the academic needs of all students; Improved student learning and achievement through systemic pedagogical approach and systematic curricular/co-curricular program.</td></tr>
<tr><td rowspan="7">Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>Marks</td></tr>
<tr><td>• Annual scheme of Studies</td><td>Submission of Annul scheme of studies along with Annual Management Plan.</td><td>03 Marks</td></tr>
<tr><td>• Lesson Planning System: * (Curriculum and Syllabus)</td><td>Quarterly Reporting</td><td>06 Marks</td></tr>
<tr><td rowspan="4">• Improved student learning and achievement**</td><td>Bi-annual reporting on Formative Assessment</td><td>05 Marks</td></tr>
<tr><td>Annual reporting on Summative Assessment (In-house)</td><td>03 Marks</td></tr>
<tr><td>Annual reporting on Summative Assessment (SAT/Board exams)</td><td>03 Marks</td></tr>
<tr><td>Sample based annual assessment of student learning and achievement, conducted by Independent Expert once in each Academic year.</td><td>05 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="3">* Lesson Planning System:
Development of lesson planning system based on curriculum and syllabi aligned with provincial curriculum frameworks and expectations; aligned vertically between grades and horizontally across classrooms at the same grade level; is fully implemented in classrooms; and supports opportunities for all students to master various skills and concepts.

** Students achieving a level of competence in their subjects in each grade progressively:
25% in 1st year of Concession Agreement, 30% in 2nd year and then maintaining 5% increase for succeeding years.</td></tr>
<tr><td colspan="4">Assessment System: (In-House/Independent)
Implementation of a robust Assessment System that is based on good evaluation practices.</td></tr>
</table>

ANNEXURES

<table>
<tr><td rowspan="5">5</td><td>Key Progress Indicator</td><td colspan="3">Continuous Professional Development (CPD) of staff - 15 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Continuous Professional Development to enhance management / administrative skills of non-teaching staff , as well as, enrich teaching staff's content knowledge of the relevant subjects and enhance their teaching pedagogical skills using variety of tools, teaching methodology and alternate learning mechanisms to modernize learning process.</td></tr>
<tr><td rowspan="3">Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>BIFURCATION OF 15 Marks</td></tr>
<tr><td>• Training Need Assessment (TNA): *</td><td>Baseline at the signing of the Concession (within 60 days of the effective date).</td><td>05 Marks</td></tr>
<tr><td>• Continuous Professional Development trainings. **</td><td>Within the first year of the Concession. Thereafter, Bi- annual training.</td><td>10 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="3">* Training Need Assessment:

A structured way to gather data for determining training needs to be developed to help all teachers and administrative staff of all the Schools listed in the Package for the EMOs to accomplish their goals and objectives. Assessment may include, but not limited to current knowledge, skills, attributes and abilities, to identify any gaps or other areas of teaching and/or management/supervising/monitoring needs.

It is to be noted that "National Professional Standards for Teachers in Pakistan (NPSTP) 2009" shall be followed in preparation of the TNA. While basic management needs will be identified for management staff.

** Professional Development of Staff:

Trainings of teachers, based on TNA, including content/subject, pedagogical, gender-mainstreaming and/or management skills and dispositions, and IT.

Professional Development of Teachers must impart subject knowledge and understanding (content), disposition and pedagogical skills to achieve competency level. The outcome of trainings should reflect in teachers' ability to creating a learning environment where students feel comfortable, and encouraged to succeed academically.

Training of non-teaching staff, based on TNA, including administration and management relevant areas/SOW in day to day business of schools along with behavioral characteristics, language skills, IT, office decorum, etc.</td></tr>
</table>

ANNEXURES

SCHOOL ENVIRONMENT AND COMMUNITY ENGAGEMENT: (WEIGHTAGE 25 Marks)

<table>
<tr><td rowspan="7">6</td><td>Key Progress Indicator</td><td colspan="3">School Repair and Maintenance and Improved Community Engagement – 15 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Ensure that all facilities listed in the Invitation for Bids have i.e. water, sanitation, furniture, fixture, material, equipment, structure, infrastructure for all Schools are, all inclusive, functional and safe.

Support School Management Committee (SMC) meetings to engage school staff, parents and community stakeholders to design, develop and implement a comprehensive school improvement plan; and invite inputs from local community on educational and programmatic needs of students;.</td></tr>
<tr><td rowspan="5">Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>BIFURCATION OF 15 Marks</td></tr>
<tr><td>• Repair and Maintenance Plan of the all the schools listed in the Package including infrastructure, equipment, furniture and fixtures</td><td>Repair and Maintenance plan of all the Schools listed in the Package within 90 days of the effective date of concession, and thereafter, report on quarterly basis.</td><td>05 Marks</td></tr>
<tr><td>• Meetings and engagement with School Management Committees:*</td><td>Within 30 days of the effective date of concession, thereafter, on quarterly basis.</td><td>04 Marks</td></tr>
<tr><td>• Improved Community Outreach: **</td><td>Submission of a plan along with the Annual Management Plan, thereafter reporting on bi-annual basis.</td><td>03 Marks</td></tr>
<tr><td>• Parent Teacher Meetings (PTM): ***</td><td>Bi-annual meetings, especially at the end of the academic term</td><td>03 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="3">*School Management Committees:
At least one meeting of the General Body of each SMC should be conducted in an academic year; and at least one meeting of the Executive Body of each SMC should be conducted in each quarter. EMO may constitute an Executive Committee for all the Schools listed in the Package to strengthen coordination and collaboration for best learning practices among children, community and staff of these schools. The school is to engage with SMC to build a supportive environment, keeping in view the cultural contexts whereby within the community everyone is celebrated, respected, and heard. EMO is encouraged to conduct a joint meeting of the SMC chairpersons and secretaries

** Community Outreach Program:

Each School develops a program to engage parents, and larger community for increasing and sustaining enrolments, improved management of school and the availability of specialized programs and services at the school and outside school to meet the needs of all students, particularly girls.

*** Parent Teacher Meetings (PTM):

Bi-annual meeting of teachers with parents to review the progress of students' academic and behavioral progress.</td></tr>
<tr><td colspan="4">Repair and Maintenance

A Package comprising of Group of Schools (number of construction schools + nearby schools) are handed over to EMO under a comprehensive handing/taking-over process. During implementation, the EMO should ensure that all facilities, i.e. furniture, fixture, material, equipment, structure and infrastructure, water, sanitation, etc. of all Schools listed in the Package are maintained in satisfactory and running condition to establish a safe and child-friendly learning environment in the school. The repair and maintenance tasks should be completed in a reasonable time.</td></tr>
</table>

ANNEXURES

<table>
<tr><td rowspan="5">7</td><td>Key Progress Indicator</td><td colspan="3">Improved Health and Hygiene practices, and sporting activities. – 10 Marks</td></tr>
<tr><td>Description</td><td colspan="3">Design and implement school based hygiene and nutrition education and awareness raising activities. Work with parents and SMCs to run social and behavior change campaigns in schools. Provide sports and games facilities and organize sports gala event.</td></tr>
<tr><td rowspan="4">Measurement/Criterion:</td><td>ACTION PLAN</td><td>FREQUENCY</td><td>BIFURCATION OF 10 Marks</td></tr>
<tr><td>• Health and Hygiene practices plan: *</td><td>Annual submission of plan within 30 days after submission of Annual Management Plan.</td><td>03 Marks</td></tr>
<tr><td>• Demonstrated healthy practices of students, supported with health and hygiene activities and facilities: **</td><td>Reporting at the end of the first academic term, thereafter, reporting on bi-annual basis on progress achieved, and annual reporting on screening</td><td>04 Marks</td></tr>
<tr><td>• Sports and Games facility and event plan: ***</td><td>Annual submission of plan within 30 days after submission of Annual Management Plan.</td><td>03 Marks</td></tr>
<tr><td>Notes/Guidelines:</td><td colspan="3">* Health and Hygiene Practices:

Health and Hygiene (H&H) support activities should be part of the School management plan. Students and schools staff should be implementing improved H&H practices. Periodic screening of students will be conducted annually to assess student health and to design H&H plan for the next year.

** Health and Hygiene Practices / Activities / Facilities:

Implementation of H&H practices in all the schools, with proper cleanliness in classrooms, corridors, play areas and wherever movement of students takes place within the premises. Organizing co-curricular activities to inculcate good behavior, hygiene, manners, discipline and personality.

*** Sports and Games facility and event plan:

Sports and games facility should be provided at each school and should be included in regular activities of the school time table. Inter-Schools Annual sports gala/event should be organized and students may be provided opportunities to nurture their sports skills. Provision of opportunity to introduce school best players to local, provincial or corporate sports stakeholders will be appreciated.</td></tr>
</table>

ANNEX – III OPERATOR'S SCOPE OF WORK

A. Apply an all-inclusive management model comprised of planning, designing, budgeting, implementation, managing resources, evaluation, reporting and feedback to implement fully a comprehensive approach in order to meet key performance indicators, substantially improve student achievement outcomes and increase school retention and graduation rates;

B. Work with the school staff, and administrators to ensure the availability and attendance of teachers;

C. Increase opportunities for staff capacity building and professional growth to acquire/refine the skills necessary to meet the needs of the students in the school;

D. Provide staff ongoing, high-quality, job-embedded professional development that is aligned with the school's instructional program and designed with Employment Criteria to ensure that they are equipped to facilitate effective teaching and learning and have the capacity to successfully implement school reform strategies;

E. Promote the continuous use of student data (such as from formative, interim, and summative assessments) to inform and differentiate instructional programs in order to meet the academic needs of all students;

F. Implement national curriculum based on Aga Examination Board using English as the medium of instruction to help faculty refine their pedagogical and classroom management skills in line with student learning outcomes.

G. Improve student learning and achievement through a systemic pedagogical approach and a systematic curricular/co-curricular program;

H. Increase learning opportunities for all students, with special emphasis on expanded learning experiences for students who are at-risk of academic failure;

I. Implement high quality assessments that measure knowledge and application of concepts through the use of a variety of item types and formats;

J. Act as the custodian of structure, infrastructure, fixtures, equipment and facilities at school, ensure security of the Facility and conduct regular repair and maintenance while also utilizing any defect liabilities / warranties associated with the aforementioned;

K. Be responsible for ensuring safe, clean and hygienic environment in the Facility while also employing safeguards to prevent damage to the school structure/infrastructure.

L. Adopt a variety of techniques to increase and retain student enrollments, including conducting local community outreach to solicit parents/community support for student enrollments and retention;

M. Engage parents and community stakeholders to design, develop and implement a comprehensive school improvement plan through Community Engagement Activities;

N. Be responsible to arrange School Management Committee (SMC) meetings on regular basis (at least one in each quarter) basis and report back to all stakeholders on progress and matters for concern;

O. Invite inputs from local community and address comments/concerns concerning the educational and programmatic needs of students;

P. Work and coordinate with Government and district education machinery to monitor, ensure quality control;

Q. Conduct outreach to private sector to provide in-kind support to school and act as custodian of resources provided through private funding/contributions, grant funds or other philanthropic resource in/for the school;

R. Be accountable for results through outlined accountability measures, performance monitoring expectations, and key performance indicators, as decided in the contract;

S. Managing the day-to-day operations and needs of the school including directly supporting the Principal/Headmaster(s) and other staff on instructional and operational matters;

T. Ensure that the quality compliance parameters are invariably adhered to ensure provision of good education and successful program delivery;

U. Establishing an embedded presence in the school and maintaining consistent and intensive onsite support;

V. Discussing progress and barriers with the Principal/Headmaster(s) and key stakeholders on a regular basis

W. Be responsible for all proper accounting, timely disbursement and audit of the expenditures of the allocated amount through the approved budget and contract;

X. Stream line school administration processes and promote accountability and transparency at all systems and levels;

Y. Ensure fulfillment of and compliance with KPIs;

Z. All other responsibilities as outlined in the contract.

ANNEX – IV NOT USED

ANNEX – V REPORTING FORMS

[To be developed by the Operator with assistance and guidance from the Independent Expert and Independent Auditor; and finalized not more than 30 days of hiring of the Independent Expert and Independent Auditor accordingly. Thereafter, to be approved by the Authority within 15 days thereof. For the sake of clarity, there shall be different Reporting Forms for quarterly and annual reporting, and in respect of the Independent Expert and Independent Auditor]

ANNEX – VI TERMS OF REFERENCE FOR THE INDEPENDENT EXPERT AND INDEPENDENT AUDITOR

The Independent Expert and the Independent Auditor shall be fulfil the duties and responsibilities set out below:

1. APPOINTMENT

1.1. APPOINTMENT OF INDEPENDENT EXPERT

1.1.1. The Parties shall appoint such firm as the Independent Expert as may be acceptable to the Parties provided that the firm to be appointed shall have:

(i) experience of managing and/or operating educational institutions or other similar facilities or shall have experience of evaluating the performance of educational institutions for a period of minimum five (5) years; and

(ii) experience of having performed detailed evaluations of teachers and school management.

1.1.2. The Independent Expert shall be appointed and shall be responsible for fulfilling its duties and responsibilities from the date of its appointment until the Expiry Date, unless its appointment is terminated earlier.

1.1.3. The Operator shall provide a list of three (03) potential Independent Experts, fulfilling the criteria as contemplated in Articles 1.1.1 and 2.1 of this Annexure, to the Authority within fourteen (14) days of the Agreement.

1.1.4. It is upon the understanding as per the bid submitted in the Invitation for Bids Dated _____ that the bidder has included the cost of the Independent Expert in the total project cost.

1.2. APPOINTMENT OF INDEPENDENT AUDITOR

1.2.1. The Parties shall select one of the chartered accountancy firms out of the Big Four as the Independent Auditor.

1.2.2. In the event the Parties are unable to mutually agree on the appointment of the Independent Auditor out of the Big Four, the Parties shall appoint such firm as the Independent Auditor as may be acceptable to the Authority out of the Big Four.

1.2.3. The Operator shall provide a list of [up to three(3)] potential Independent Auditors, fulfilling the criteria as contemplated in Articles 1.2.1 and 3.1 of this Annexure, to the Authority within fourteen (14) days of the Agreement.

1.2.4. It is upon the understanding as per the bid submitted in the Invitation for Bids Dated _____ that the bidder has included the cost of the Independent Auditor in the total project cost.

2. DUTIES AND RESPONSIBILITIES OF THE INDEPENDENT EXPERT

2.1. GENERAL

The Independent Expert shall perform all such roles, duties and functions as are contemplated to be performed by the Independent Expert in this Agreement. Without limiting the generality of the foregoing, the Independent Expert shall be responsible for:

(i) reviewing and approving/certifying all activities associated with the fulfilment of KPIs by the Operator;

(ii) Reporting to the Authority on technical aspects under the Agreement;

(iii) Assist the Operator in designing of the reporting and other Monitoring; Evaluation and Reporting (MER) tools. (This is expected to be a one-time activity, with revisions on need basis);

(iv) Preparing guidelines with the operator for employment criteria for staff at the Facility. (This is expected to be a one-time activity);

(v) If required, assisting the Parties in resolving any dispute or making determinations referred to it pursuant to the Agreement;

(vi) reviewing the proposed changes in budget / assist in the re alignment of yearly budget during the service period on the request of the Operator.

(vii) Carrying out any other duties and functions specified in the Concession Agreement, other than those listed above.

(viii) Issue Notice of Annuity Amount Payment Adjustment Event to the Operator.

3. DUTIES AND RESPONSIBILITIES OF THE INDEPENDENT AUDITOR

The Independent Auditor shall perform all such roles, duties and functions as are contemplated to be performed by the Independent Auditor in this Agreement. Without limiting the generality of the foregoing, during the Services Period, the Independent Auditor will be responsible for:

(i) calculating Payable Annuity Amount Payments, subject to Annuity Amount Payment Adjustments, in accordance with Article 8, as well as calculating other payments as stipulated in the concession agreement.)

(ii) monitoring quarterly the financial progress against the detailed budgets submitted by the Operator at the time of bidding

(iii) carrying out audits (on an annual basis) to establish compliance or otherwise of the Services with the KPIs, Applicable Laws, Applicable Permits and Good Industry Practices in accordance with the procedures set out in the Agreement;

(iv) assisting the Parties in determining, under the Concession Agreement:

- existence and consequences of a Force Majeure Event,
- an Event of Default,
- the remedy of defaults and termination procedures,
- the existence, nature and consequences of a Change in Law,
- the existence and consequences of any of the other relief items set out in the Concession Agreement, and/or
- any other matter of a technical nature referred by both Parties;

(v) reviewing the proposed changes in budget / re alignment of yearly budget during the service period.

(vi) carrying out any other duties and functions specified in the Concession Agreement, other than those listed above.

4. INDEPENDENCE

In respect of all matters dealing with the Agreement the Independent Expert and the Independent Auditor shall be independent and shall ensure that it performs all its obligations in accordance with the Concession Agreement.

ANNEX – VII FORM OF PERFORMANCE SECURITY

[ON APPROPRIATE STAMP PAPER]

1. FORM OF PERFORMANCE SECURITY

To:
SCHOOL EDUCATION AND LITERACY DEPARTMENT,
GOVERNMENT OF SINDH,

GUARANTEE NO. ..... (hereinafter referred to as the "**Guarantee**")
Dated: .....

[Insert Name of Bank], being the Guarantee issuing bank (hereinafter referred to as the "**Guarantor Bank**") understands that the following parties have entered into an agreement entitled the "Concession Agreement" dated [●], 2017 (hereinafter referred to as the "**Agreement**") for the implementation of the Education Management Organizations Project in the Province of Sindh under the public private partnership mode:

a) **The Governor Of Sindh** (Through SCHOOL EDUCATION AND LITERACY DEPARTMENT), having its offices at **[●]** (hereinafter referred to as the "**Authority**"); and

b) **[●]**, a company incorporated under the laws of Pakistan, having its registered office located at **[●]** (hereinafter referred to as the "**Operator**", which expression shall, where the context so permits, be deemed to mean and include its legal heirs, successors in interest, administrators, executors, and permitted assigns).

Further, the Guarantor Bank understands that pursuant to the terms of the Agreement, the Operator is required to provide the Authority with a bank guarantee in an amount equal to PKR [Insert Amount in Numbers]/- (Pakistani Rupees [Insert Amount in Words]).

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

PKR **[●]**/- (Pakistani Rupees [●])
(hereinafter referred to as the "**Guaranteed Amount**")

immediately, however not later than within [three (3)] business days from the date of the Guarantor Bank's receipt of the Authority's first written demand (hereinafter referred to as the "**Demand**") at the Guarantor Bank's offices located at [Insert Address of the Guarantor Bank at which Demand will be made], such Demand stating:

a) the total amounts demanded; and

b) the bank account to which the amounts demanded pursuant to the demand are to be credited/transferred (hereinafter referred to as the "bank account").

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

The Guarantor Bank shall unconditionally honour a Demand hereunder (notwithstanding any direction to the contrary given or any dispute whatsoever raised by the Operator or any other person) immediately (however not later than [3 (Three)] business days) of its receipt of the Authority's Demand, as stated earlier, and shall transfer the amount specified in the Demand to the Bank Account. Any payment made hereunder shall be made free and clear of and without deduction for, or on account of, any present or future taxes, deductions or withholdings of any nature whatsoever and by whomsoever imposed, and where any withholding on a payment is required by any applicable law, the Guarantor Bank shall comply with such withholding obligations and shall pay such additional amount in respect of such payment such that the Authority receives the full amount due hereunder as if no such withholding had occurred.

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

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

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

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

a) in any way impairing or affecting the Guarantor Bank's liabilities hereunder;

b) notice to the Guarantor Bank; and

c) the necessity for any additional endorsement, consent or guarantee by the Guarantor Bank.

The obligations of the Guarantor Bank herein are absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of the Agreement or the insolvency, bankruptcy, reorganization, dissolution or liquidation of the Operator or any change in ownership of the Operator or any purported assignment by the Operator or any other circumstance whatsoever which might otherwise constitute a discharge or defence of a guarantor or a surety. In order to give effect to this Guarantee, the Authority shall be entitled to treat the Guarantor Bank as the principal debtor.

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

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

The Authority may assign / transfer or cause or permit to be assigned or transferred any of its rights, title, interests and benefits of this Guarantee with prior notification to the Guarantor Bank. The Guarantor Bank shall not assign or transfer any of its rights or obligations under this Guarantee.

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

The Guarantor Bank hereby represents and warrants to the Authority that:

a) it has the power to execute, deliver and perform the terms and provisions of this Guarantee and has taken all necessary action to authorize the execution, delivery and performance by it of this Guarantee;

b) the Guarantor Bank has duly executed and delivered this Guarantee, and this Guarantee constitutes its legal, valid and binding obligation enforceable in accordance with its terms;

c) neither the execution, delivery or performance by the Guarantor Bank of this Guarantee, nor compliance by it with the terms and provisions hereof will: (i) contravene any material provision of any law, statute, rule or regulations or any order, writ, injunction or decree of any court or governmental instrumentality; (ii) conflict or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under any agreement, contract or instrument to which the Guarantor Bank is a party of by which it or any of its property or assets is bound; or (iii) violate any provision of the Guarantor Bank's constituent documents; and

d) no order, consent, approval, license, authorization or validation of, or filing, recording or registration with (except as have been obtained or made prior to the date hereof), or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with: (i) the execution, delivery and performance of this Guarantee; or (ii) the legality, validity, binding effect or enforceability of this Guarantee.

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

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

EXECUTED & ISSUED
FOR & ON BEHALF OF THE GUARANTOR BANK

.....
NAME:
DESIGNATION:
DATED:

WITNESS I

.....
NAME:
CNIC:

WITNESS II

.....
NAME:
CNIC:

The precise form of the Performance Security (whether a bank guarantee or a standby letter of credit) shall be agreed between the Operator and the Authority prior to signing of the Concession Agreement. The quantum, duration and renewal mechanism of the Performance Security shall follow the principles set out in Article 8.

ANNEX – VIII Applicable Permits

[To be finalized prior to the Effective Date]

ANNEX – IX Handing Over Criteria

The Authority shall handover the Facility to the Operator in accordance with the following Handing over Criteria, which Handing Over Criteria basically lists down the assets, furniture and fixtures available at the Facility at the time of Handing Over. The list of following assets, furniture and fixtures shall be finalized between the Parties prior to signing of the Agreement:

ANNEX – X Taking Over Criteria

The Taking over Criteria of the Facility shall be similar to the Handing over Criteria specified in ANNEX IX above and the Operator shall ensure that the Facility is handed back to the Authority after the Expiry Date and in accordance with the terms of this Agreement in proper working condition.

ANNEX – XI Employment Criteria

[To be finalized by the Operator within Thirty (30) days of the Effective Date and approved by the Independent Expert within 15 days of hiring of the Independent Expert.]

ANNEX – XII Annuity Amount Payment Adjustment Formula

The following formula / working shall be used to make adjustments from the Annuity Amount Payments based on the level / degree of fulfilment of the KPIs by the Operator. The following adjustments shall be calculated by the Independent Auditor based on the evaluation of the KPIs done by the Independent Expert and the quarterly invoice generated by the Operator from time to time and in accordance with this Agreement. For the sake of clarity, it may be noted that the formula would be utilized in calculating adjustments / deductions, if any, from the Management Fee; however all other cost heads as provided in the Financial Bid form at the bidding stage would be reimbursed on 'as per actual basis' and as claimed in the quarterly invoices generated by the Operator; except for the management fee of the first 2 (two) quarters, which shall be paid in full. Furthermore, apart from the management fee (which can only be invoiced for a quarterly portion of the yearly fee) the total amount claimed in the quarterly invoices cannot exceed the yearly financial projections unless the same are permitted under the Article-8 of the Concession Agreement or recommended by the Independent Auditor.

QP= (MF * PP) + (RA) + (RC)	
QP	= Annuity Amount to be paid in Annuity Amount Evaluation Period
MF	= Management Fee (to be paid on quarterly basis) for Annuity Amount Evaluation Period
PP	= Performance Percentage given by IE after evaluation of KPIs in the quarter. Performance Percentage shall be calculated on the basis of indicators applicable for a particular quarter. i.e. PP= Marks Obtained / Total Marks (of applicable indicators) x 100
RA	= Total Reimbursable Amount in the quarter, as verified by IA, based on invoices
RC	= Redeemed Claim (if any / applicable) for the last quarter, as per Article 8.2.3. & 8.2.4.

Two sample workings in respect of the above formula, showing how the formula shall be applied to the level of fulfilment of KPIs, are given below:

Example-1:

For example, the Operator submitted invoices with reimbursable claims of PKR 3,000,000 (RA) and Management Fee (MF) of PKR 700,000 for the concerned quarter. The total Quarterly Payment (QP) shall be calculated using the following formula:

Management Fee Payable (MF * PP)	=	700,000 * 91% = 637,000 (PP – Performance percentage to be calculated on the basis of evaluation of KPIs by IE, as shown in the example given in the table)
RA (amount as verified by independent auditor)	=	3,000,000 (after any deductions by IA, if any)
RC (if any / applicable)	=	0 (not applicable for this quarter)
Total Quarterly Payment (QP)	=	637,000 + 3,000,000 + 0
	=	3,637,000 (Three million, six hundred thirty seven thousand only)

ANNEXURES

Management Fee Payment for the Quarter	Due Amount (Management Fee - MF)	Amount to be paid MF * PP
	700,000	637,000

Thematic Areas	Performance Area	Key Performance Indicator (KPI)	Applicable in Q _ (Y/N)	Weightage		Performance Percentage (PP)
				Marks Allocated	Marks Achieved	
MANAGEMENT & ORGANIZATION: PLANNING, IMPLEMENTATION & EVALUATION	School Management Plan	Annual Management Plan	Y	8	7	88%
		Implementation Framework	Y	4	3	75%
		Development of an EMIS and Functioning of the EMIS	Y	5	4	80%
		Sub-total		**17**	**14**	**82%**
	Improved Staff Availability and Attendance	Improvement in staff attendance and Functional Attendance Management	Y	8	7	88%
		Sub-total		**8**	**7**	**88%**
	Improved Students' Enrollment, Attendance and Retention	Students Enrolment, Attendance Management and Retention Plan	Y	2	2	100%
		Improvement in Students Enrolments, Attendance Retention Rates, benchmarked with baseline	Y	8	7	88%
		Sub-total		**10**	**9**	**90%**
LEARNING AND TEACHING: CURRICULUM AND ASSESSMENT/TEACHING PEDAGOGY	Lesson Planning and Students' Assessment System	Annual scheme of Studies	Y	3	3	100%
		Lesson Planning System: (Curriculum and Syllabus)	Y	6	5	83%
		Bi-annual reporting on Formative Assessment	Y	5	5	100%
		Annual reporting on Summative Assessment (In-house)	Y	3	3	100%
		Annual reporting on Summative Assessment (SAT/Board exams)	Y	3	3	100%
		Sample based annual assessment of student learning and achievement, conducted by Independent Expert once in each Academic year.	Y	5	5	100%
		Sub-total		**25**	**24**	**96%**
	Continuous Professional Development (CPD) of staff	Training Need Assessment (TNA)	Y	5	4	80%
		Continuous Professional Development trainings	Y	10	9	90%
		Sub-total		**15**	**13**	**87%**
SCHOOL ENVIRONMENT AND COMMUNITY ENGAGEMENT	School Repair and Maintenance and Improved Community Engagement	Repair and Maintenance of school building including infrastructure, equipment, furniture and fixtures	Y	5	4	80%
		Meetings and engagement with School Management Committees:	Y	4	4	100%
		Improved Community Outreach	Y	3	3	100%
		Parent Teacher Meetings (PTM)	Y	3	3	100%
		Sub-total		**15**	**14**	**93%**
	Improved Health and Hygiene practices, and sporting activities	Health and Hygiene practices plan	Y	3	3	100%
		Demonstrated healthy practices of students, supported with health and hygiene activities and facilities	Y	4	4	100%
		Sports and Games facility and event plan	Y	3	3	100%
		Sub-total		**10**	**10**	100%
		Total		**100**	**91**	**91%**

ANNEX – XIII Annuity Amount Payment Schedule

DISBURSEMENT CALENDER

Within 30 days of the Effective date		
	Quarters	**Annuity Amount Payment Dates**
Quarter 1	Jan-Mar	May 1st
Quarter 2	April-June	August 1st
Quarter 3	July-Sept	November 1st
Quarter 4	Oct-Dec	February 1st

S.no	**Year**	**Year Budget**
1	Year 1	
2	Year 2	
3	Year 3	
4	Year 4	
5	Year 5	
6	Year 6	
7	Year 7	
8	Year 8	
9	Year 9	
10	Year 10	

ANNEX – XIV FINANCIAL MODEL

ANNEX – XV Details of Facility

DETAILS OF SCHOOLS												
School #	School Name	SEMIS Code	District	Tehsil	Gender	Education Level	Covered Area (Sq. ft.)	Proposed Strength/Enrollment	Number of Teachers (Tentative)	Number of Non-Teachers (Tentative)	Number of Class Rooms	Additional Rooms[1]
School # 1	**GEMS Shaheeed Benazir Hyderabad**	{to be provided}	Shaheed Benazirabad	Shaheed Benazirabad	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 2	GEMS Sukkur	{to be provided}	Sukkur	Sukkur	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 3	**GEMS Larkana**	{to be provided}	Larkana	Larkana	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 4	**GEMS Thatta**	{to be provided}	Thatta	Thatta	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 5	**GEMS Badin**	{to be provided}	Badin	Badin	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 6	**GEMS Sujjawal**	{to be provided}	Sujjawal	Sujjawal	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 7	**GEMS Jamshoro**	{to be provided}	Jamshoro	Jamshoro	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 8	**GEMS Naushehro Feroze**	{to be provided}	Naushehro Feroze	Naushehro Feroze	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7

School # 9	**GEMS Sanghar**	[to be provided}	Sangha r	Sanghar	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 10	**GEMS Khairpur**	[to be provided}	Khairpu r	Khairpur	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 11	**GEMS Ghotki @Mirpur Mathelo**	[to be provided}	Ghotki	Mirpur Mathelo	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 12	**GEMS Mirpurkhas**	[to be provided}	Mirpur khas	Mirpurk has	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 13	**GEMS Matiari**	[to be provided}	Matiari	Matiari	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 14	**GEMS Tando Muhammad Khan**	[to be provided}	Tando Muham mad Khan	Tando Muham mad Khan	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7
School # 15	**GEMS Tando Allahyar**	[to be provided}	Tando Allahya r	Tando Allahyar	Mix	Pre School – Matric (High School)	31.374	520	36	33	14	7

ANNEX –XVI Technical Proposal of the Operator

[Technical proposal submitted by the Operator at the time of submission of bids for school operations and management to be a part of the Concession Agreement]